

By Mr. AUCHINCLOSS:

H. R. 4871. A bill to authorize the Commissioners of the District of Columbia to enter into agreements with certain organizations to carry out the functions of the poundmaster of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HAGEN:

H. R. 4872. A bill to equalize the rates of compensation payable for wartime and peacetime service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HARVEY:

H. R. 4873. A bill to provide Federal aid to the States for the construction of public-school facilities; to the Committee on Education and Labor.

By Mr. MILLER of Nebraska:

H. R. 4874. A bill for the establishment of the Medical Care Investigation Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 4875. A bill to amend title 28 of the United States Code relating to travel expense allowances for Government employee witnesses; to the Committee on the Judiciary.

By Mr. JACKSON of Washington:

H. R. 4876. A bill to extend and improve the old-age and survivors insurance system, to add protection against disability, and for other purposes; to the Committee on Ways and Means.

By Mr. MORRIS:

H. R. 4877. A bill to confer jurisdiction upon the United States District Court for the Western District of Oklahoma of proceedings to condemn certain real property owned by the United States in Comanche County, Okla.; to the Committee on Public Lands.

By Mrs. NORTON:

H. R. 4878. A bill to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office, if approved by the Joint Committee on Printing; to the Committee on House Administration.

By Mr. POTTER:

H. R. 4879. A bill to increase the retired pay of certain members of the former Lighthouse Service; to the Committee on Merchant Marine and Fisheries.

By Mr. SCUDDER:

H. R. 4880. A bill to amend the Agricultural Act of 1948 by adding thereto a new section to establish an average parity price for fats and oils and to aid in maintaining such parity price to producers; to the Committee on Agriculture.

By Mr. WOLVERTON:

H. R. 4881. A bill to provide that compensation of a Federal officer or employee shall be subject to State tax only in the State where he is domiciled, and for other purposes; to the Committee on Ways and Means.

By Mr. BOGGS of Delaware:

H. Con. Res. 63. Concurrent resolution to express the sense of the Congress with respect to the coordination and administration of Federal assistance and services to the blind; to the Committee on Expenditures in the Executive Departments.

By Mr. CANNON:

H. Res. 229. Resolution to amend rule XVII of the Rules of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 4882. A bill for the relief of Josip Nacinovic, Miro Nacinovic, and Josip Laconi; to the Committee on the Judiciary.

By Mr. FERNANDEZ:

H. R. 4883. A bill for the relief of Tony Marchionda; to the Committee on the Judiciary.

By Mr. McGUIRE (by request):

H. R. 4884. A bill for the relief of Giuseppe Pompeo; to the Committee on the Judiciary.

By Mr. NICHOLSON:

H. R. 4885. A bill for the relief of Francis C. Pollard; to the Committee on the Judiciary.

H. R. 4886. A bill for the relief of W. Irving Lincoln; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 4887. A bill for the relief of L. Ferguson; to the Committee on the Judiciary.

By Mr. STIGLER:

H. R. 4888. A bill for the relief of the lawful heirs of Robert Brown, deceased, Cherokee Roll No. 32752; to the Committee on the Judiciary.

By Mr. THOMPSON:

H. R. 4889. A bill for the relief of Mrs. Jack J. O'Connell; to the Committee on the Judiciary.

By Mr. WHITE of Idaho:

H. R. 4890. A bill for the relief of Emory Arnett, Bonners Ferry, Idaho; to the Committee on the Judiciary.

By Mr. WOLVERTON:

H. R. 4891. A bill for the relief of Albert E. Scheffen; to the Committee on the Judiciary.

SENATE

FRIDAY, MAY 27, 1949

(Legislative day of Monday, May 23, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of grace and glory, we bless Thee for the cleansing ministry of memory and for the rich heritage of noble deeds as our Nation, founded in Thy name, turns to its stirring past and to its warrior dead. Even as bugles are sounding to new struggles for liberty's cause, prepare our hearts and minds for the sacramental journey to quiet cities of the dead where, under their tents of green, sleep those whose lives were offered as freedom's shield. Save us from decorating tombs and at the same time desecrating the costly heritage which it takes graves to guarantee. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 26, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On May 25, 1949:

S. 716. An act authorizing the Secretary of the Interior to sell the land of George Peters under existing regulations.

On May 26, 1949:

S. 1704. An act to strengthen and improve the organization and administration of the Department of State, and for other purposes; and

S. J. Res. 61. Joint resolution requesting the President to issue a proclamation designating Memorial Day, 1949, as a day for a Nation-wide prayer for peace.

On May 27, 1949:

S. 326. An act to amend the War Claims Act of 1948; and

S. 1152. An act for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 969. An act to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.; and

H. R. 1057. An act for the relief of John Keith.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Humphrey	Reed
Anderson	Hunt	Robertson
Cain	Ives	Russell
Capehart	Johnson, Tex.	Saltonstall
Chavez	Johnston, S. C.	Schoeppel
Connally	Kefauver	Smith, Maine
Cordon	Kerr	Sparkman
Donnell	Kilgore	Stennis
Douglas	Knowland	Taft
Downey	Langer	Taylor
Eastland	Lucas	Thomas, Okla.
Ellender	McCarthy	Thomas, Utah
Ferguson	McClellan	Thye
Flanders	McFarland	Tydings
Frear	McKellar	Vandenberg
Gurney	McMahon	Watkins
Hayden	Magnuson	Wherry
Hendrickson	Martin	Wiley
Hickenlooper	Millikin	Williams
Hill	Neely	Withers
Holland		Young

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from North Carolina [Mr. HOEY] are absent on official business.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senator from Louisiana [Mr. LONG], the Senator from Nevada [Mr. McCARRAN], the Senator from Maryland [Mr. O'CONOR], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Florida [Mr. PEPPER] are detained on official business in meetings of committees of the Senate.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senator from North Carolina [Mr. GRAHAM], the Senators from Rhode Island [Mr. GREEN and Mr. McGRATH], the Senator from Montana [Mr. MURRAY], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN], the Senator from Nebraska [Mr. BUTLER], the Senator from Indiana [Mr. JENNER], and the Senator from South Dakota [Mr. MUNDT] are absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], the Senator from Massachusetts [Mr. LODGE], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Montana [Mr. ECTON] and the Senator from Nevada [Mr. MALONE] are detained on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. The pending business is House bill 2663. The bill is open to amendment.

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators desiring to incorporate routine matters in the RECORD may be permitted to do so without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. MAGNUSON asked and obtained permission to be absent from the session of the Senate this afternoon in order to attend a meeting of the Committee on Public Works, considering the Columbia Valley Authority bill.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. CHAVEZ asked and obtained consent for the Committee on Public Works to meet during the session of the Senate this afternoon.

Mr. HUMPHREY asked and obtained permission for a subcommittee of the Committee on Post Office and Civil Service to meet this afternoon at 2:30 o'clock.

COMMISSION ON RENOVATION OF EXECUTIVE MANSION

The VICE PRESIDENT. The Chair wishes to make a statement in regard to certain appointments to be made.

Congress recently enacted legislation providing for the appointment of a commission in regard to the reconstruction of the White House.

The Chair has consulted with the chairman of the Appropriations Committee and the chairman of the Public Works Committee, from the membership

of which committees the Chair believes the appointments on behalf of the Senate to the Commission should be made.

Therefore, the Chair appoints the Senator from Tennessee [Mr. McKEL-LAR] and the Senator from Pennsylvania [Mr. MARTIN] as members of the Commission on Renovation of the Executive Mansion.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, HOUSING EXPEDITER (S. Doc. No. 79)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to \$26,750,000, for the Housing Expediter, fiscal year 1950, in the form of an amendment to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

POLICING OF BUILDING AND GROUNDS OF SUPREME COURT

A letter from the Marshal of the Supreme Court of the United States, transmitting a draft of proposed legislation relating to the policing of the building and grounds of the Supreme Court of the United States (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of the persons involved, said orders containing a complete and detailed statement of the facts and pertinent provisions of law as to each alien, together with the reason for ordering suspension of deportation (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

Two letters from the Attorney General, withdrawing the names of Thomas Kun Nimeneh or Thomas Nimeneh or Thomas Nimeneh-Bey or Thomas Kun Nemereh or Keen Nimeneh or Sam Nimeneh or Keen Nimeh, and Hilary Ferdinand Sawicki from reports relating to aliens whose deportation he suspended more than 6 months ago, transmitted by him to the Senate on March 15, 1948, and April 1, 1949, respectively; to the Committee on the Judiciary.

REPORT OF FEDERAL SECURITY AGENCY

A letter from the Administrator of the Federal Security Agency, transmitting, pursuant to law, the annual report of that Agency for the fiscal year 1948 (with an accompanying report); to the Committee on Finance.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Florida; to the Committee on Expenditures in the Executive Departments:

"Senate Memorial 614

"Memorial recommending to the Congress of the United States of America the carrying into effect of the administrative recommendations of the Hoover Commission

"To the Honorable Senate and the House of Representatives of the United States of America in Congress Assembled:

"We, your memorialists, the Legislative Assembly of the State of Florida convened in regular session, respectfully represent that:

"Whereas during the last generation the enormous expenses of Federal governmental activities has created a condition of confusion and overlapping in the divisions of the administrative authority which has placed upon the President of these United States an ever increasing burden and has resulted in increased costs and inefficient administration; and

"Whereas pursuant to Public Law 162, enacted by the Eightieth Congress, there was created a commission known as the Hoover Commission on Organization of the Executive Branch of the Government, which public law was on July 7, 1947, approved by the President of the United States, Harry S. Truman; and

"Whereas pursuant to said Public Law 162, there was appointed a bipartisan group of representatives and distinguished citizens of our country who had had experience in governmental affairs, which group made an exhaustive and unbiased examination into the administration of the agencies of the Federal Government; and

"Whereas the said Commission has filed a detailed report of its findings and its conclusions therefrom together with its recommendations covering the matter; and

"Whereas it appears to your memorialists that the said findings, conclusions, and recommendations constitute a cohesive and efficient program which will be of great benefit to the peoples of these United States: Now, therefore, be it

"Resolved by the Senate of the State of Florida (the house of representatives concurring therein), That the Congress of the United States be, and it hereby is, petitioned and requested by your memorialists to give due and favorable consideration to the recommendations of the Hoover Commission to the end that the said recommendations may be adopted by the Congress of these United States and the President of the United States be directed thereby to effectuate the provisions of such recommendations; and be it further

"Resolved, That the secretary of state of the State of Florida be, and he hereby is, directed to transmit copies of this memorial to the President and clerk of the United States Senate, to the Speaker and Chief Clerk of the House of Representatives of the United States, and to each member of the Florida delegation in the Congress of the United States."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 20

"Joint resolution requesting the Congress of the United States of America to enact legislation whereby lands acquired by the United States of America and not being used by said United States be offered for sale or exchange to former owners thereof and others

"Whereas the United States of America has acquired much land for defense purposes within the Territory of Hawaii immediately preceding and during World War II; and

"Whereas much of said acquired land is not being used by the United States of America since the cessation of hostilities; and

"Whereas many former owners of lands which were acquired by the United States Government are desirous of purchasing the same; and

"Whereas there are many other persons interested in the purchase of lands no longer being used by the said United States Government; and

"Whereas the private ownership of said lands would enable taxation thereof and be a source of revenue to the Territory of Hawaii: Now therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America be, and it is, hereby respectfully requested to enact legislation whereby privately owned lands acquired by the United States of America in the Territory of Hawaii and not being used by said United States be first offered for sale or exchange to former owners thereof.

"Sec. 2. That if the former owners of such lands acquired by the United States of America are not desirous of reacquiring said lands that other persons in the Territory of Hawaii be given the opportunity to acquire said lands either by purchase or exchange.

"Sec. 3. That duly certified copies of this resolution be transmitted to the President of the United States, to the President of the Senate, to the Speaker of the House of Representatives of the Congress of the United States of America, to the Secretary of National Defense, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii.

"Sec. 4. This resolution shall take effect upon its approval.

"Approved this 6th day of May A. D. 1949.

"INGRAM M. STAINBACK,

"Governor of the Territory of Hawaii."

A letter in the nature of a petition from William Osten, of Washington, D. C., relating to votes for residents of the District of Columbia; to the Committee on the District of Columbia.

A telegram in the nature of a memorial from the Minnesota Dental Hygienists Association, of Minneapolis, Minn., signed by Elizabeth McVean, president, and Della Jacobson, secretary, remonstrating against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the Rhode Island Dental Hygienists' Association, of Pawtucket, R. I., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the executive board of the American Naturopathic Association, of California, Los Angeles, Calif., relating to the inclusion of the practice of naturopathy on an equal basis with other branches of the healing art in any national health plan; to the Committee on Labor and Public Welfare.

RESOLUTIONS OF MISSISSIPPI BANKERS ASSOCIATION

Mr. STENNIS. Mr. President, the Mississippi Bankers Association, in official convention at Biloxi, Miss., on May 18, adopted three resolutions relating to national legislation worthy of the attention of each Member of this body. I present them for appropriate reference, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Resolution on Senate bill 1775

Whereas this association is firmly of the opinion that the grant of any power of the Federal Reserve Board over nonmember banks of the Federal Reserve System is detrimental to the continuance of the dual banking system; and

Whereas Senate bill 1775, recently introduced in the United States Senate by Senator MAYBANK, would give the Federal Reserve Board the power to compel all FDIC-insured banks to carry additional reserves up to 4 percent of demand deposits and 1½ percent of time deposits with the Federal Reserve bank in their district whenever reserve requirements reach present statutory limits for member banks: Now, therefore, be it

Resolved, That this association is opposed to Senate bill 1775, and that the secretary of this association is instructed to forward a copy of this resolution to each member of the Senate Committee on Banking and Currency and to each of the Senators and Representatives from the State of Mississippi.

Resolution on Senate Joint Resolution 37

Whereas this association is firmly of the opinion that the authority to exercise control over consumer installment credit now held by the Federal Reserve Board as expressed in regulation W is no longer needful to the control of inflationary influences; and

Whereas Senate Joint Resolution 87 recently introduced in the United States Senate would give to the Federal Reserve Board a continuation of the authority and powers to control the terms of installment-consumer credit until June 30, 1951: Now, therefore, be it

Resolved, That this association is opposed to Senate Joint Resolution 87, and the secretary of this association is instructed to send a copy of this resolution to each member of the Senate Committee on Banking and Currency and to each of the Senators and Representatives from the State of Mississippi.

Resolution on reorganization of FDIC

Whereas this association is firmly and unanimously of the opinion that the continuance of the dual banking system is essential to the maintenance of free enterprise in this Nation; and

Whereas the continuance of the dual banking system in large measure depends upon the division of Federal bank supervision and examination among the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Board of Governors of the Federal Reserve System: Now, therefore, be it

Resolved, That this association is firmly opposed to the passage of any legislation by Congress which would authorize or permit in any manner a consolidation of the powers now exercised by the FDIC, Comptroller of the Currency, and Federal Reserve Board, and that this association urges that the FDIC and Comptroller of the Currency be maintained on a parity with the Federal Reserve Board: Be it further

Resolved, That the secretary of this association be instructed to send a copy of this resolution to each member of the Senate Committee on Banking and Currency and to each of the Senators and Representatives from the State of Mississippi.

RESOLUTIONS OF CATHOLIC WAR VETERANS OF WISCONSIN

Mr. WILEY. Mr. President, on May 6 through May 8, the State department of the Catholic War Veterans of the United States met in Racine, Wis. At that time the Wisconsin department adopted certain resolutions which I believe will be of interest to my colleagues. I have selected those resolutions involving Federal jurisdiction, and I ask unanimous consent that the text of the resolutions, as forwarded to me by Henry Woyach, State adjutant of the CWV, be appropriately referred and printed at this point in the RECORD.

The VICE PRESIDENT. Without objection, the resolutions will be received, appropriately referred, and printed in the RECORD.

To the Committee on Armed Services:

"Resolution on universal military training and peacetime conscription

"Whereas pressure groups are still active in espousing an un-American program of

universal military training and peacetime conscription, and are using the unsettled world conditions as an immediate means to attain their end; and

"Whereas these pressure groups have caused confusion in the minds of the citizens of the United States by aligning the cause of preparedness with their program of universal military training, and have imputed to those who oppose their program a lack of patriotism; and

"Whereas the Catholics of America have always demonstrated their patriotism and willingness to perform their duties as citizens in the protection of the principles of freedom and justice for which their country stands, and have fought valiantly against all inroads by a military caste; and

"Whereas the founders of our Government ordained in our Constitution a program by which the military training of our youths was adequately provided for in the State militia, and history has proven that we have been able, through the instruments of the State militia, to train our youth for the protection of our form of government without incurring the danger of militarism and the subjugation of our peoples to military rule; and

"Whereas the sole exception to the destructive working of the forces of the military caste in Europe has been in Switzerland, where a form of military training based upon a unit of government similar to that of our State exists, in which officers are promoted from the ranks, and which has proven that the military caste can be kept out of the control without sacrificing military preparedness: Now, therefore, be it

"Resolved, That we go on record as opposing legislation providing for universal military training, and ask the repeal of peacetime conscription laws; be it further

"Resolved, That we go on record as favoring a program to revitalize the State militia, and make proper provisions for stay-at-home training for our young men, and that a plan of training in our militia somewhat modeled after the Swiss plan, by which we recognize achievements and develop our officers from the ranks, be immediately adopted."

To the Committee on Post Office and Civil Service:

"Resolution on free mailing privileges for disabled veterans

"Whereas the disabled veterans confined to hospitals are in reality still in the service of their country, and are suffering the price of war; and

"Whereas the privilege of the use of mail without cost to them would encourage correspondence between themselves and their loved ones, and indicate to them that we have not forgotten the price that they paid for their service to our country: Now, therefore, be it

"Resolved by the Catholic War Veterans of the State of Wisconsin, in convention assembled at Racine, Wis., on this 7th day of May 1949, That we go on record as favoring legislation which would grant to hospitalized veterans the wartime free-mailing privilege."

To the Committee on Labor and Public Welfare:

"Resolution on socialized medicine

"Whereas socialized-medicine legislation is now before the Congress of the United States, which provides for a form of compulsory health insurance and State medical care; and

"Whereas it is an historical fact that where socialized medicine has been put into effect, it has failed to provide the peoples with the high standards of medical care which prevail in the United States under our system of free enterprise; and

"Whereas the enactment of such legislation would give evidence to our following the concepts of totalitarianism, as practiced in Europe, and permit the Government to

make further inroads on the lives and liberties of our peoples: Now, therefore, be it

Resolved by the Catholic War Veterans of the State of Wisconsin, in convention assembled at Racine, Wis., on this 7th day of May 1949, That we go on record as opposing the enactment of legislation providing for the socialization of medicine; be it further

Resolved, That this resolution be presented to the Congressmen of our State and the Members of the United States Senate of the State of Wisconsin."

Ordered to lie on the table:

"Resolution on Federal education

"Whereas the Congress of the United States has legislation pending providing for Federal subsidy and control of education; and

"Whereas the centralization of control of education in the Federal Government has grave potential danger in that it will permit active organized minorities to propagandize our youth without giving to the people the opportunity to have these groups directly responsible to the people either at the ballot box or by local control; and

"Whereas under our Federal system of government, the matter of education is to be left to the sovereign States and be a democratic process over which the citizen and parent should have direct control: Now, therefore, be it

Resolved by the Catholic War Veterans of the State of Wisconsin, in convention assembled at Racine, Wis., on this 7th day of May 1949, That we go on record as opposing the enactment into law of legislation now before the Congress providing for Federal aid and control of education."

RESOLUTIONS OF EASTERN COLLEGE YOUNG REPUBLICAN POLICY CONFERENCE

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD resolutions adopted by the Eastern College Young Republican Policy Conference, at Yale University, New Haven, Conn., April 30-May 1, 1949.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

POLICY RESOLUTIONS PASSED BY THE CONFERENCE, EASTERN COLLEGE YOUNG REPUBLICAN POLICY CONFERENCE, YALE UNIVERSITY, NEW HAVEN, CONN., APRIL 30-MAY 1, 1949

I. RESOLUTIONS FROM THE FLOOR

Whereas Ralph E. Becker has achieved a tremendous success in inculcating a sense of political responsibility on American campuses; and

Whereas he has given freely of his time and energy to this end at great personal sacrifice: Now, therefore, be it

Resolved, That this conference accord to Ralph E. Becker the justly merited recognition of a difficult job well done.

II. RESOLUTION FROM THE FLOOR

Whereas Governor Alfred E. Driscoll of the State of New Jersey will participate in the only contested gubernatorial election in the United States during 1949; and

Whereas his extraordinary accomplishments in office represent the finest traditions of Republican statesmanship and administration: Now, therefore, be it

Resolved, That we as Republicans from the various colleges assembled give public recognition to the progressive, liberal leadership that Governor Alfred E. Driscoll has provided to the Republican Party in New Jersey, in full realization that his continuation in office will serve as the initial impetus toward Republican victory in 1950 and 1952.

III. RESOLUTION FROM THE FLOOR

Whereas it is of the greatest importance for the Republican Party in this critical

period of self-improvement, that the fullest cooperation of party organizations be achieved, and the closest kind of teamwork be effected; and

Whereas College Young Republicans can find the best expression of their ideas through full participation in local and State Young Republican organizations: Be it

Resolved, That the College Young Republican Clubs shall take every opportunity to integrate themselves with the local and State Young Republican organizations, and shall strive for the highest level of support of all their activities.

IV. RESOLUTION FROM THE FLOOR

Whereas the Communist Party and its numerous front organizations are constantly striving to indoctrinate the youth of our Nation with ideologies violently opposed to the basic principles of our free institutions: Be it so

Resolved, That this conference recommend the following: That the presidents of the various State Young Republican associations, acting through the chairman of the State campus activities, establish local regional committees for the purpose of disseminating information and better organizing a constructive, intelligent, and active resistance to this insidious element in our centers of national learning.

V. EDUCATION

Whereas there is a general inequality in educational opportunities among the several States: Therefore be it

Resolved, That the Federal Government give assistance to equalize educational opportunities by means such as Senate bill 472, particularly the following program as taken from Senate bill 472 and added to it:

A. Federal aid to public elementary and secondary schools to establish a \$50-per-pupil minimum in every school district in every State and thereby help States to raise teachers' salaries, get better teachers, and improve existing facilities.

B. Federal aid would be allocated on the basis of need determined by annual income payments to individuals within the States. Any in excess of \$50 per pupil will be allocated by the States along with State funds.

C. An acceptance act must be passed by States including:

1. No discrimination in distribution of funds within the State.

2. States may not allocate Federal funds to parochial and sectarian schools in the same proportion as they allocate State funds.

3. A State must be spending 2½ percent of its annual income of over \$160 per pupil on education to obtain the full amount of aid.

4. State educational authorities will submit audited reports of expenditures to the Federal Government Educational Commission each year.

5. State educational authorities can appeal to local Federal district courts if there are any complaints against allocation of the funds.

D. That the Federal Government be specifically prohibited from any interference in or control of selection of texts, teachers, buildings, etc.

E. The Federal Government shall assist the several States in providing a hot-lunch program for its schools by supplying to those States at a minimum cost surplus foods available to the Government.

VI. SOCIAL WELFARE

1. Whereas the Republican Party at its 1948 convention adopted a platform in which was contained a promise to combat discrimination, and whereas the Senate Republican leadership has indicated its desire to carry out these proposals: Be it

Resolved, That this conference record itself in favor of quick action for passage of antidiscrimination measures: Be it further

Resolved, That this conference declares itself opposed to discrimination of any kind based upon race, religion or color.

2. *Be it resolved, That this conference go on record as being in opposition to the Truman plan of compulsory health insurance and in favor of the Taft-Smith-Donnell bill.*

VII. LABOR

1. Whereas the public interest in the prohibition of crippling national strikes in critical industries overrides the interest of labor and management; and

Whereas the cooling-off period will serve to crystallize public opinion on the merits of the controversy; and

Whereas Congress, rather than the President, should decide in the last analysis whether compulsory arbitration should be required in the particular case: Be it

Resolved, That this body favors the retention of the 80-day injunction in national emergency strikes after which the matter may be referred to Congress for action if the matter is not solved.

2. Whereas we believe it is contrary to public policy for private labor leaders to decide who may or may not work in a particular industry or plant, or for those already employed to deny the right to work to others: Be it

Resolved, That this body favors the ban on the closed shop.

3. *Be it resolved, That this body favors the joint congressional committee's recommendations that the mandatory injunction for secondary boycotts and secondary strikes be made discretionary.*

4. *Be it resolved, That this body favors the signing of an affidavit by management as well as by labor in which the signee swears he is not a member of an organization which stands for the forcible overthrow of the United States Government.*

VIII. TAXES AND BUSINESS REGULATION

1. We believe that any sound fiscal structure of our Government must depend primarily on efficient administration; therefore, we heartily endorse the recommendation of the Hoover Commission to reduce expenditures by eliminating bureaucratic waste.

2. We believe that the dynamic productivity of our economy is dependent on the free flow of risk capital, and we therefore recommend that double taxation on corporations be eliminated.

3. We recommend giving the Antitrust Division of the Department of Justice all the funds necessary to enforce existing antitrust legislation.

4. We believe that the several States have certain responsibilities to the people, and in order that they may assume those responsibilities, many of them now usurped by the Federal Government, we recommend that the Federal Government relinquish or reduce the following taxes, which are especially suited to collection by the States:

(a) Excise taxes, especially those on local telephone calls, intrastate electric energy, gasoline, and admissions.

(b) Amend inheritance and estate taxes so as to leave more room for the States.

5. We believe that one essential to the raising of the standard of living throughout the world, without a corresponding lowering of our own, is the expansion of trade. We, therefore, recommend that upon completion of the Marshall plan all efforts be made to encourage world trade by a full support and extension of the reciprocal-trade program.

6. We believe that it is the duty of a political party to educate the public, and we, therefore, recommend that the theory of the Federal tax structure and the distribution of its burdens be clearly defined and explained.

IX. PUBLIC POWER AND CONSERVATION

Be it resolved, That each river valley shall be examined separately, but each one to be

taken as a single unit. A river valley development project shall be considered desirable if the total benefits from the installations are great enough to justify the required outlays for construction, operation, and maintenance of the project. Interest on investment, computed at the prevailing rate, shall be included in these cost figures.

If the project is considered desirable under the above provisions, and private capital is not available or not willing to do the job, then the local district, State, or States located in the project area may undertake the project. If the local district and the State or States refuse to assume the responsibility of the project, then the Federal Government may do the job.

Any project sponsored by the local districts, States, or Federal Government shall be set up as a self-amortizing project, to be paid for over a period of years determined prior to construction for each specific project.

2. Whereas the Republican Party has always supported the idea of conservation and flood control; and

Whereas the Government may, as an outgrowth of its powers under the regulation of interstate commerce clause (article I, section 8, clause 3) of the Constitution, undertake projects of this nature; and

Whereas the Government can undercut private producers when selling the incidental byproducts of these projects; and

Whereas governmental competition with private utilities is an encroachment upon their rights: Be it

Resolved, That the Government and the Republican Party, as a portion thereof, insure incorporation of private corporations in the sale of incidental byproducts of such projects, as a protection of their just rights under the Constitution of the United States.

X. HOUSING

The Republican Party, realizing the scarcity of housing and also realizing that private enterprise at this time is incapable of completely handling the housing needs of the people, stresses that a certain amount of Government action is needed to meet the situation.

We therefore favor the principle of temporary rent control—

(a) coupled with the principle of decontrol by local authorities where they have the approval of the governor of their State,

(b) and with due provision made for the allowance of rent increases when the landlord can show just cause.

The balance of the housing panel was not considered by the conference because of a vote to adjourn. The balance of the housing panel's report is printed below, without comment.

The Government has a responsibility to see that adequate housing is provided to the American people. This should be done by encouraging private enterprise where possible, but by direct action where necessary.

A. In order to provide adequate housing, production costs must be decreased and productivity increased. Two of the main barriers to cost reduction and increased production are the multiplicity of antiquated and conflicting local building codes and the restrictive practices of labor unions in the building field. We therefore urge Federal, State, and local governments to use all power in their jurisdiction to do away with these twin restrictions.

We specifically urge the enactment of a law that will enumerate and define as illegal all featherbedding practices in the building field.

B. We feel that the health and security of the Nation demands an adequate program of slum clearance. Since this is one field in which private enterprise cannot function, we feel that Government action is necessary.

However, slums are essentially a community problem, and local authorities are

most competent to deal with it. Therefore, we urge that the actual slum-clearance programs be initiated by local communities, who shall have the option of doing the job themselves or hiring private contractors to do the job for them.

Since, however, local communities rarely have the resources to undertake projects of this sort, we urge that the Federal Government issue them loans and grants for this purpose.

In order that the housing projects erected in these slum-clearance programs be used for the purposes for which they were built, we urge that appropriate legal action be taken to insure that first preference for occupancy goes to families that are displaced when the slum dwellings are torn down, and that local authorities be required to set maximum income limits for admission to, and continued occupancy in, these projects, and that initial preference be given to families with the most urgent housing needs.

We further urge that local authorities be required not to discriminate against families whose incomes are derived in whole or in part from public assistance, but who are otherwise eligible for admission.

C. We favor the manipulation of the tax structure to encourage the building of low-cost rental housing.

D. In order to encourage the building of low-cost homes for that middle-income group that neither requires direct Government aid nor is able to pay the high housing prices now prevailing, we further favor the continuation and expansion of the principles of the FHA.

We also feel that FHA loans should be granted for the building of cooperative housing projects and for the manufacturing of prefabricated houses with due provision taken to insure that these latter meet approved housing standards.

E. Since most of these provisions enumerated above are contained in Senate bill 1070, we urge the enactment of this bill into law, and further urge that all provisions enumerated above that are not contained in S. 1070 be enacted into supplementary legislation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

S. 595. A bill relating to the internal security of the United States; with an amendment (Rept. No. 427).

By Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments:

H. R. 1158. A bill to provide for the conveyance by the United States to the city of Marfa, Tex., of certain lands formerly owned by that city; without amendment (Rept. No. 429);

H. R. 1338. A bill authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration of a portion of Fort Brown at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement; with an amendment (Rept. No. 430); and

H. R. 3005. A bill to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government; with amendments (Rept. No. 428).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 27, 1949, he presented to the President of the United States the enrolled bill (S. 969) to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. ANDERSON (for himself, Mr. CHAVEZ, Mr. HAYDEN, Mr. McFARLAND, Mr. KNOWLAND, Mr. DOWNEY, Mr. CONNALLY, Mr. EASTLAND, Mr. STENNIS, Mr. McCLELLAN, Mr. FULBRIGHT, Mr. ELLENDER, Mr. LONG, Mr. SPARKMAN, Mr. HILL, Mr. HOEY, Mr. MAYBANK, Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. PEPPER, Mr. KEFAUVER, Mr. CHAPMAN, Mr. WITHERS, Mr. McKELLAR, Mr. THOMAS of Oklahoma, Mr. KERR, Mr. GRAHAM, and Mr. McCARRAN) introduced Senate bill 1962, to amend the cotton-marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. DOUGLAS:

S. 1963. A bill for the relief of Augusto Segre; to the Committee on the Judiciary.

By Mr. HILL:

S. 1964. A bill for the relief of Andrew Calloway, Ira Calloway, and W. F. Steiner; to the Committee on the Judiciary.

(Mr. MALONE introduced Senate bill 1965, to amend the Tariff Act of 1930, and for other purposes, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. O'MAHONEY (by request):

S. 1966. A bill to authorize public improvements in Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McMAHON:

S. 1967. A bill for the relief of Ella Maria Nymann; to the Committee on the Judiciary.

By Mr. DOUGLAS (for himself, Mr. MYERS, Mr. McGRATH, Mr. HUMPHREY, Mr. BALDWIN, and Mr. IVES):

S. J. Res. 98. Joint resolution to establish the Near East Survey Commission; to the Committee on Foreign Relations.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938, RELATING TO COTTON-MARKETING QUOTAS

Mr. ANDERSON. Mr. President, on behalf of my colleague the senior Senator from New Mexico [Mr. CHAVEZ], the Senators from Arizona [Mr. HAYDEN and Mr. McFARLAND], the junior Senator from California [Mr. KNOWLAND], the senior Senator from California [Mr. DOWNEY], the Senator from Texas [Mr. CONNALLY], the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS], the Senators from Arkansas [Mr. McCLELLAN and Mr. FULBRIGHT], the Senators from Louisiana [Mr. ELLENDER and Mr. LONG], the Senators from Alabama [Mr. SPARKMAN and Mr. HILL], the senior Senator from North Carolina [Mr. HOEY], the Senators from South Carolina [Mr. MAYBANK and Mr. JOHNSTON], the Senators from Florida [Mr. HOLLAND and Mr. PEPPER], the junior Senator from Tennessee [Mr. KEFAUVER], the Senators from Kentucky [Mr. CHAPMAN and Mr. WITHERS], the senior Senator from Tennessee [Mr. McKELLAR], the Senators from Oklahoma [Mr. THOMAS and Mr. KERR], the junior Senator from North Carolina [Mr. GRAHAM], the Senator from Nevada [Mr. McCARRAN], and myself, I introduce for appropriate reference a bill relating to cotton-marketing quotas. There is an additional bill from the Secretary of Agriculture covering the whole field.

The bill (S. 1962) to amend the cotton-marketing-quota provisions of the Agricultural Adjustment Act of 1938, as amended, was read twice by its title, and referred to the Committee on Agriculture and Forestry.

HOME RULE FOR THE DISTRICT OF COLUMBIA—AMENDMENTS

Mr. EASTLAND (for himself and Mr. JOHNSTON of South Carolina) submitted amendments intended to be proposed by them, jointly, to the bill (S. 1527) to provide for home rule and reorganization in the District of Columbia, which were ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

SPIRITUAL INTERPRETATION OF PREAMBLE TO NORTH ATLANTIC PACT

Mr. WILEY. Mr. President, our colleague the senior Senator from New Jersey [Mr. SMITH], in conjunction with other Senators, has prepared a resolution. I ask unanimous consent that I may be permitted to submit the resolution and speak on it not to exceed 5 minutes.

Mr. LUCAS. Mr. President, under the agreement just entered into, I will have to object.

The VICE PRESIDENT. Objection is heard.

Mr. WILEY. I ask to submit the resolution and speak on it, at the request of a brother who is sick, and has been sick for some 10 days.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. LUCAS. Will not the Senator wait until other Senators have placed whatever routine matters they wish to place in the RECORD? Then the Senator can secure the floor and speak on the resolution.

Mr. WILEY. I will do so. I am very happy to have the Senator's suggestion.

BRITISH FILM QUOTAS

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter dated May 26, 1949, which was received by Mr. Eric Johnston, president, Motion Picture Association, from Acting Secretary of State James E. Webb, relative to the British film quotas, and a letter which my senior colleague [Mr. DOWNEY] and I sent to the Secretary of State last night relative to the British position.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

Mr. ERIC JOHNSTON,
President, Motion Picture Association,
Washington, D. C.

DEAR MR. JOHNSTON: With your letter of March 31, 1949, you attached a memorandum relating to the British film quota and requesting that the State Department attempt to negotiate a reduction in this quota. As you know the Department took this matter up with British officials in early April. The Department has now received a response

from the British Government to the protest made at that time. This response was substantially as follows:

The British Government states that the quota, which was fixed by Parliament, cannot be modified at the present time. It hopes, however, that as a result of the recent meetings in Washington between certain members of the American and British film industries and those scheduled to take place early in June an improvement in the relations between the two groups may be effected.

The British Government states that it feels that the quota in no way contravenes the General Trade Agreement or any other legal commitment, that the British Government had the same right to raise this quota as the United States or any other government would have to raise an import duty with respect to which it had made no commitments. It believes that the quota is consistent with and a necessary part of the British effort to build up production and trade looking toward an improvement in the British balance-of-trade situation. The British Government contends also that the quota is reasonable from the standpoint of British film production possibilities although the quota was not entirely filled with British features during the first year. This fact presumably accounted for the reduction in the quota from 45 percent to 40 percent for the second year. Finally the British Government expresses surprise that the setting up of the film quota should have been necessarily unexpected by the American film industry or interpreted as an act of bad faith as a consequence of any understanding between the industry and the British Government in connection with the film agreement of 1948.

I am sorry to have to transmit an unfavorable reply to you particularly in view of the efforts which have been made toward getting a modification of the quota. The Department is studying the response which the British Government has made in this case.

Sincerely yours,

JAMES E. WEBB,
Acting Secretary.

MAY 26, 1949.

HON. DEAN ACHESON,
Secretary of State, Washington, D. C.

DEAR MR. SECRETARY: Following conversations which we have had this week with representatives of the Department of State, we should now like to make clear to you our deep concern with reference to the British Government's action in rejecting the State Department's protest against the highly restrictive quota which the British Government has directed against American motion pictures.

We regard the British reply as most unsatisfactory and clearly revealing the British intention not to abide by the spirit and purpose of solemn obligations under international agreements.

In our opinion, the British attitude has seriously damaged the cause of reciprocal trade to which this Government in the interest of promoting the flow of commerce and trade around the world has been so strongly committed. The very basis of the reciprocal principle is cooperation among nations. The British position on the new 40-percent film quota is singular evidence of a spirit of non-cooperation. Reciprocity cannot continue on a one-sided basis.

The Reciprocal Trade Agreement Act is shortly coming before the Senate. We should think that the State Department would want to move immediately and energetically with the British Government to correct the aggravated situation created by the imposition of the film quota.

When the British Government, in its reply, speaks of the discussions between the lead-

ers of the British and American film industries through the Anglo-American Film Advisory Council and suggests that action on the governmental level be held up pending the outcome of these talks, it is evading the issue of the quota.

Private industry can do nothing about the quota. This is a governmental matter. Only the British Government can provide relief from its onerous provisions. The British Government is responsible and no evasive words can shift that responsibility.

As the quota, in our judgment, threatens to undermine our Government's efforts in behalf of reciprocal trade, we request you send a formal protest to the British Government insisting that it negotiate with our Government to reduce or eliminate this quota.

Article IV of the General Agreement on Tariffs and Trade, to which both countries are parties, specifically provides for such negotiations; these should commence without delay. Article IV is further reinforced by article XXII which requires the contracting parties to "accord sympathetic consideration to and shall afford adequate opportunity for consultation" with respect to matters, including quotas, affecting the operation of the agreement.

Inasmuch as we intend to go into the British film quota thoroughly when the Reciprocal Trade Agreement Act is before the Senate, we desire your assurance at the earliest date that the Department of State has formally protested to the British Government requesting the opening of negotiations on the film quota.

Sincerely yours,

SHERIDAN DOWNEY,
WILLIAM F. KNOWLAND.

THE TENNESSEE VALLEY AUTHORITY—STATEMENT BY SENATOR TAYLOR

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a statement by him on the Tennessee Valley Authority, published in the Lewiston (Idaho) Tribune of May 22, 1949, which appears in the Appendix.]

THE COLUMBIA VALLEY AUTHORITY PLAN—ARTICLES BY PETER EDSON

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD two articles on the Columbia Valley Authority plan, written by Peter Edson and published in the Washington Daily News of May 24 and 25, 1949, which appear in the Appendix.]

THE NORTH ATLANTIC PACT IN INTERNATIONAL LAW—ADDRESS BY GEORGE A. FINCH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address entitled "The North Atlantic Pact in International Law," delivered by George A. Finch, vice president of the American Society of International Law, before the annual meeting of the society at Washington, D. C., on April 29, 1949, which appears in the Appendix.]

GRAIN-STORAGE PROGRAM—ADDRESS BY WALTER R. SCOTT

[Mr. SCHOEPEL asked and obtained leave to have printed in the RECORD an address on the subject of the grain-storage program, delivered by Walter R. Scott, executive vice president of the Board of Trade of Kansas City, Mo., at the annual meeting of the Kansas Grain, Feed, and Seed Dealers Association at Wichita, Kans., on May 21, 1949, which appears in the Appendix.]

POPPY-MAKING PROGRAM OF VETERANS—ADDRESS BY DR. RUTH MILLER STEESE

[Mr. MARTIN asked and obtained leave to have printed in the RECORD a radio address delivered by Dr. Ruth Miller Steese,

past State president of the American Legion Auxiliary of Pennsylvania on May 24, 1949, which appears in the Appendix.]

DECARTELIZATION IN GERMANY—ARTICLE BY ARTHUR MASSOLO

[Mr. KILGORE asked and obtained leave to have printed in the Record an article entitled "AMG Firing Saves 'Food Hitler'—Crackdown Is on Foes of Cartels," published in the New York Post on May 22, 1949, which appears in the Appendix.]

SUBSTITUTION OF NATURAL GAS FOR COAL BY ATOMIC ENERGY COMMISSION

[Mr. KILGORE asked and obtained leave to have printed in the Record a letter addressed to him by the National Coal Association, together with a statement prepared by the Fuels Research Council, Inc., regarding the proposal of the Atomic Energy Commission to substitute natural gas for coal at Oak Ridge, Tenn., which appears in the Appendix.]

SOCIALIZED MEDICINE—EDITORIAL FROM LEWISTON (MAINE) DAILY SUN

[Mrs. SMITH of Maine asked and obtained leave to have printed in the Record an editorial entitled "The Women Don't Like It," published in the Lewiston (Maine) Daily Sun of April 23, 1949, which appears in the Appendix.]

PROPOSED SINGLE APPROPRIATION BILL—ARTICLE BY ARTHUR KROCK

[Mr. WILLIAMS asked and obtained leave to have printed in the Record an article entitled "Approval of the Single Appropriation Bill," written by Arthur Krock and published in the New York Times of May 27, 1949, which appears in the Appendix.]

WASTE IN CHINA—EDITORIAL AND NEWS COMMENT

[Mr. HENDRICKSON asked and obtained leave to have printed in the Record an editorial entitled "Our Wastage in China," published in the Newark Evening News of May 26, 1949; also an article entitled "Chiang Planes Rust, But United States Ships More," written by John O. Davies, Jr., and published in the Newark Evening News of May 23, 1949, which appear in the Appendix.]

TRIBUTES TO THE LATE SAMUEL R. YOUNG

[Mr. STENNIS asked and obtained leave to have printed in the Record articles from the National Rural Letter Carrier, the Postmasters Gazette, and the Jackson (Miss.) Daily News, paying tribute to the late Samuel R. Young, formerly executive assistant to the Postmaster General, which appear in the Appendix.]

SPIRITUAL INTERPRETATION OF PREAMBLE TO NORTH ATLANTIC PACT

The VICE PRESIDENT. Without objection, the Senator from Wisconsin [Mr. WILEY] is recognized for 5 minutes.

Mr. WILEY. Mr. President, the future of the world, if it is to be a glorious future, lies in those nations which are spiritually wise. Man's wisdom is inadequate. The knowledge which stems from our Creator is necessary.

Paraphrasing the first Psalm, "Blessed is the nation that walketh not in the counsel of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful, but whose delight is in the law of the Lord; and in His law that nation finds guidance and direction."

Mr. President, we in the United States have always prized the religious heritage of our Nation. From the earliest times the founding fathers indicated their

faith in divine providence and their reliance upon our Creator in meeting the problems which have confronted our Nation.

There will shortly be submitted to the Senate from the Foreign Relations Committee the North Atlantic Pact for ratification. In this connection, many of my colleagues and myself believe that the Senate, by a specific pronouncement, should indicate its interpretation of certain language in the preamble of the pact. That language reads:

They are determined to safeguard the freedom, common heritage, and civilization of their peoples.

The interpretation which we should like to give to this language is that our most precious heritage of all is "our continuing faith in our dependence upon Almighty God and His guidance in the affairs of men and nations."

On this floor we ask the question, "What constitutes a state?" The answer is, Men who their duties know and who do not consider religion as a mere opiate.

We have found that unfortunately too often in the work of the United Nations there has been omitted any religious reference whatsoever. Prayers have been omitted and other spiritual evidences have been intentionally ignored.

At this time, therefore, in order to correct this condition insofar as the North Atlantic Treaty is concerned, I am submitting on behalf of my colleague the senior Senator from New Jersey [Mr. SMITH], who is necessarily absent today, and on behalf of 14 other Senators and myself, a resolution for interpretation of the language of the preamble.

If the Senator from New Jersey were present he would be doing what I am now doing. This resolution is submitted on behalf of the Senator from New Jersey, who is necessarily absent, and he is joined by the following Senators: The Senator from Connecticut [Mr. BALDWIN], the Senator from Missouri [Mr. DONNELL], the Senator from Montana [Mr. ECTON], the Senator from Michigan [Mr. FERGUSON], the Senator from Vermont [Mr. FLANDERS], the Senator from Delaware [Mr. FREAR], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Oklahoma [Mr. KERR], the Senator from Oregon [Mr. MORSE], the Senator from Virginia [Mr. ROBERTSON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Mississippi [Mr. STENNIS], the Senator from Minnesota [Mr. THYE], the Senator from Delaware [Mr. WILLIAMS], and myself.

The resolution is brief. I shall read it:

Whereas the history of these United States clearly records the faith of our forefathers in Almighty God from the days of the earliest colonization and during all the crises of their early struggles; and

Whereas these United States and the other nations parties to the North Atlantic Treaty are believers in the guidance of the Creator in the affairs of men: Therefore be it

Resolved, That the Senate of the United States interprets the language of the preamble to the North Atlantic Treaty, reading as follows: "They are determined to safeguard the freedom, common heritage and civilization of their peoples," to include this

Nation's most precious heritage—our continuing faith in our dependence upon Almighty God and His guidance in the affairs of men and nations.

The resolution (S. Res. 121) was referred to the Committee on Foreign Relations.

Mr. WILEY. Mr. President, I ask unanimous consent that immediately following these remarks there be printed in the Record the text of a splendid statement which our colleague the Senator from New Jersey [Mr. SMITH] has prepared in connection with this important matter.

There being no objection, the statement was ordered to be printed in the Record, as follows:

AMERICA'S HERITAGE

(Statement by Senator SMITH of New Jersey)

Mr. President, it is a matter of great regret to me that because of my recent operation I cannot be on the floor of the Senate to introduce in person the resolution proposed by myself and other colleagues, which is the subject of this supporting statement.

It is my purpose in the near future, when the North Atlantic Treaty comes before the Senate for ratification, to express at that time my reasons in full for supporting that treaty and my conviction that it is in accord with the traditional foreign policy of the United States. It is a treaty of mutual help, and also a treaty of mutual defense against the dangers of armed aggression. Its purpose is to protect the security of the participants.

THE "COLD WAR"

But, Mr. President, the physical security which we seek to attain by the ratification of the North Atlantic Treaty is not enough of itself to secure to our Nation and to the world that over-all peace which is the aim and purpose of all our steps toward international collaboration. And this is because the big "cold war" that is going on today is not a war of armed aggression, but rather a war to capture men's minds. It is a war of ideas let loose upon the world, the seeds of which find fertile ground where there is division, chaos, and despair, and where the hope and vision of peoples shattered by the war has been lost, and where men and women are groping for light in the darkness. It is all too true today, as it has been through all of our history, that without vision a nation perishes.

AMERICA'S HERITAGE

Our America has emerged in the very recent history of the world as a very high mountain from which the vast promise of human liberty can be seen. Man has striven to attain this mountain top through the centuries. We and our forebears have struggled for a thousand years in order that the individual human personality may be released from the shackles of superimposed, despotic power, and may be free to express his inventive inspirations and the deepest spiritual yearnings of his soul. That struggle has brought America to her true greatness.

This conception of freedom and liberty, of which our America is a symbol to the world, springs fundamentally from our earliest religious conceptions. We owe to the Jewish people the concept of one God, as distinguished from many gods, who cares for His chosen people and guides their destinies. This concept was expanded by the teachings of Christ to include all mankind and to recognize the fatherhood of God, the Great Shepherd. The new Christian interpretation dramatized the priceless value of each individual by the analogy of the importance of each little lamb in the flock. Down

through the Christian era these conceptions were the foundations upon which our principles of human liberty arose.

THE MATERIALISTIC ATHEISM OF COMMUNISM

Mr. President, you and I have accepted these principles as part of our traditional thinking, and seldom have we individually considered it necessary to pay any price for these great birthrights that the blood, sweat, and tears of our forefathers have given to us. But today we find ourselves suddenly confronted with a new idea, a new religion, a new cause that has apparently so gripped the imagination of masses of people throughout the world that it threatens the continuing faith of mankind in these great truths which we have always taken for granted.

Let me high-light briefly this new philosophy which has not only defined religion as an opiate of the people but has gone so far as to deny the sacredness of the individual and his liberties, and has insisted that the state is everything. This new materialistic, atheistic, communistic faith is based on the teachings of Karl Marx. Karl Marx said: "The democratic concept of man is false because it is Christian. The democratic concept holds that each man has a value as a sovereign human being. This is the illusion, dream, and postulate of Christianity."

And we find a similar teaching by Hitler who learned much from Marx, and whose words ring out in the same note: "To the Christian doctrine of the infinite significance of the individual human soul, I oppose with icy clarity the saving doctrine of nothingness and insignificance of the individual human being." And, alas, we know how Hitler carried out this atheistic concept in his ruthless persecution and destruction of the Jewish people in Germany.

It has been argued recently that the Communist high command in Moscow, having found that the Russian people as a whole are inherently religious and have resisted the destruction of their faith, has eased up on its antireligious policy, and is permitting the orthodox church in Russia to continue its activities.

In this connection, I have just had called to my attention a book published recently which recites the experiences of its author with the Communist antireligious philosophy. This book is vouched for by Monsignor Fulton J. Sheen, as is the author, who remains anonymous for obvious reasons. In his foreword, Monsignor Sheen makes this statement:

"This book will disabuse the minds of those who, fed on propaganda, believe that Russia is friendly to religion. True, there has been a recognition of the orthodox church in Moscow, but only at the price of political subservience to the foreign policy of the Communists. This new church, the stooge of communism, has been neatly called by one of the European newspapers a religious conform in the service of atheistic imperialism. Along with this recognition of a politically dominated church is to be noted an intensification of Soviet antireligious propaganda. On June 29, 1948, Pravda declared that the central committee of the Communist Party favored the intensification of atheistic activity. On June 15, 1948, Bolshevik warned that 'all sorts of prejudices and circumstances have revived among the people as a result of neglect of propaganda.' On June 11, 1948, the Soviet teachers' newspaper, Uchitelskaya Gazeta, contained directions telling the teachers of the U. S. S. R. how atheistic propaganda was to be carried on in the schools. No protest was ever lodged against this decision by the politically dominated Orthodox Church of Russia."

The author of this book, the title of which is "God's Underground," states on page 6 and the following pages that he had kept in close touch with developments inside the Marxist

state (meaning Russia) right up to the outbreak of the war in 1939. To quote the author:

"Atheism was the very foundation of that state.

"Shortly after the revolution, one of its leaders, V. Steponov, the translator of Marx, laid down the line that was to be followed for over a quarter of a century of Russian history: 'We need a resolute struggle against the priest, whether he be called the pastor, the abbot, the rabbi, the patriarch, the mullah, or the Pope. At a certain time this struggle must be transformed into the struggle against God, whether he be called Jehovah, Jesus, Buddha, or Allah.'"

The author points out that immediately within Russia today, and within practically all of the so-called satellite countries there is an enormous population of sincere, despairing human beings who firmly believe in their respective religions, and especially, of course, the Greek Orthodox people of Russia and the Slavic countries, and the Roman Catholic populations of such countries as Poland, Czechoslovakia, and Hungary.

AMERICA'S SPIRITUAL HISTORY

Mr. President, I have emphasized the importance of this materialistic atheism to the Communist cause because of the important place it holds in the war of ideas, that struggle to capture men's minds which is the heart of the so-called cold war.

In sharp contrast with this deadly, devastating concept of life, which is nurtured, as I said above, in atmospheres of division, despair, chaos, and disruption, and the promise of better things through the all-powerful state, I desire vividly to portray the history of our own America, and how, from the time of its first discovery, those who have come to our shores in quest of the freedoms they so much yearned for looked to the guidance of Almighty God in what they were trying to do.

Christopher Columbus was clear about the spiritual faith which underlay his voyage, and said his discovery of the New World was made with "thanks to the Eternal God, our Lord, who gives to all those who walk His way victory over things which seem impossible."

The colonists left their homes in Europe because they sought spiritual freedom and wanted to establish a country with faith in God as its foundation.

The Pilgrims dedicated their voyage "to the glory of God and the advancement of the Christian faith."

The closing words of the Declaration of Independence are in this significant and challenging language: "And for the support of this Declaration with a firm reliance on the protection of Divine Providence we mutually pledge to each other our lives, our fortunes, and our sacred honor."

Throughout our history, in times of national crises America through its leaders has turned to God for His answer and His plan. There was a crisis in 1787 when the Constitutional Convention was in session. It had been difficult enough to get the delegates from the various States to come, and when they came it was hard to lift them above their rivalries and dissensions. At the end of July, it still looked as if division might win and union might lose, and that was the moment when Benjamin Franklin made his now famous address to George Washington, the president of the Convention. Franklin was then 81 years of age, and certainly as we read his biography we cannot accuse him of being overwhelmed by any particular brand of piety. Nevertheless, these are the actual words he used on this occasion:

"The small progress we have made, after 4 or 5 weeks' close attendance and continual reasonings with each other, our different sentiments on almost every question, several of the last producing as many noes as ayes, is, methinks, a melancholy proof of the

imperfection of the human understanding. We indeed seem to feel our own want of political wisdom, since we have been running all about in search of it. We have gone back to ancient history for models of government, and examining the different forms of those republics, which, having been formed with the seeds of their own dissolution, now no longer exist; and we have viewed modern states all around Europe, but find none of their constitutions suitable to our circumstance.

"In this situation of this assembly, groping as it were in the dark to find political strength, and scarce able to distinguish it when presented to us, how has it happened, sir, that we have not hitherto once thought of humbly applying to the Father of Lights to illuminate our understandings?

"In the beginning of the contests with Britain, when we were sensible of danger, we had daily prayers in this room for divine protection. Our prayers, sir, were heard; and they were graciously answered. * * *

"I have lived, sir, a long time, and the longer I live the more convincing proofs I see of this truth; that God governs in the affairs of men. And if a sparrow cannot fall to the ground without His notice, is it probable that an empire can rise without His aid? I * * * believe that without His concurring aid we shall succeed in this political building no better than the builders of Babel. We shall be divided by our little partial local interests; our projects will be confounded; and we ourselves shall become a reproach and byword down to future ages. And, what is worse, mankind may hereafter, from this unfortunate instance, despair of establishing governments by human wisdom and leave it to chance, war, and conquest."

History indicates that this was a turning point in the Convention. When the delegates returned after a short recess they gave to the Colonies and to the world the document that is the keystone of America's political survival and greatness.

And let us hear from other great American leaders. George Washington in his farewell address, so familiar to all of us here in the Senate, because of our tradition of reading it annually, used this language: "Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. * * * A volume could not trace all their connections with private and public felicity. * * * And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that a national morality can prevail in exclusion of religious principle."

Our coins say: "In God we trust." The Great Seal of the United States shows the pyramid of human society with the eye of God at the top; and beneath that symbol is written, The New Order of the Ages. This symbol and this motto appear today on the reverse side of our \$1 bills.

Later in our history we recall Lincoln's words when he said that if this Nation is to have a "rebirth of freedom," it must be "under God."

And again let me quote Lincoln:

"We have been recipients of the choicest bounties of heaven; we have been preserved these many years in peace and prosperity; we have grown in number, wealth, and power as no other nation has ever grown. But we have forgotten God. We have forgotten the gracious hand which preserved us in peace and multiplied and enriched and strengthened us, and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own. Intoxicated with unbroken success, we have become too

self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God who made us."

Let me emphasize again that these were the words of our own beloved Abraham Lincoln.

THE CENTRAL ISSUE IN THE COLD WAR

The liberties and the freedoms, then, for which our America stands are the fine flowering of the deepest spiritual convictions of which the human race has been capable. But we must immediately recognize that if those flowerings are cut off from their roots they might readily be the cause of our swift downfall, and the loss of all these most precious heritages. Liberty without control may become license; and, in the name of freedom, people who are undisciplined may demand for themselves those things which inevitably will come into conflict with the demands of others, and which may well bring about the necessity for harsh laws in order that man may be able to survive.

William Penn put the central problem of government in a nutshell and described the dilemma of us moderns as clearly as if he had been living today, when he said: "Men must either be governed by God or they will be ruled by tyrants." And, following directly after Penn's thought, a French philosopher, Jules Lachelier, said a few years ago that, to him, the only conceivable form of democracy is theocracy, and that of the very kind which Penn had established in the forests of Pennsylvania; adding:

"As soon as men refuse to be ruled directly by God they condemn themselves to be ruled directly by man; and if they decline to receive from God the leading principles of their moral and social conduct they are bound to accept them from the king or from the state or from their race or from their own social class."

We have only to study the events of the most recent years in Germany with the totalitarian state there, and now in Russia, with its totalitarian state, to see the contrast between what has happened, and this simple principle so vividly stated by William Penn. The popular conception of what has happened in the totalitarian countries is that the supremacy of the state has been adopted in place of the freedom of the individual.

But let me add that supremacy of the state could not arise unless the supremacy of God had first declined. We shall have a God, or we shall have a human leader deified by himself or his followers; as witness Hitler and now Stalin. And let me say at this point that there is here a distinct warning to us in the United States today, where some are seeking more and more to curtail individual liberties and to bring the state more and more into the center of the picture to control our activities in the name of the welfare of all of us. America may well be on the way to losing its God unless we keep reminding ourselves of those foundations upon which our freedoms are built.

Mr. President, I was profoundly disturbed because it was not possible during the deliberations which led to the creation of the United Nations Charter to make common acknowledgment of the direction of a divine power which guides the destinies of men in their search for peace. One can understand the difficulty of finding a common meeting ground for the expression of religious faith in such a great and diverse body as the UN. But I hope and pray that it may be possible for the new UN structure in New York to have a nonsectarian chapel for the use of all those members of that great body who feel they do have a need for reliance upon a higher power.

But, be that as it may, certainly the nations who are participants in the North Atlantic Treaty are all nations whose history and development have recognized the power of Almighty God in the affairs of men, and it

does seem to me and to others to whom I have talked on this vitally important subject that somewhere in the proceedings of the ratification of this important document we should find a place for the recognition of our fundamental faith.

THE RATIFICATION OF THE NORTH ATLANTIC TREATY

In this connection, a few weeks ago I received from the pastor of one of our Washington churches a suggestion which presented this same thought to me. The Reverend L. Ralph Tabor of the Luther Place Memorial Church of Washington wrote to me under date of April 25, as follows:

"I address this letter to you as a member of the Senate Foreign Relations Committee to request that you consider a matter of primary importance relating to the North Atlantic Treaty proposed for ratification by the Senate of the United States of America.

"The statements in the text of the proposed treaty are succinct and clear; but it has seemed to me and others with whom I have discussed the treaty, that there is a notable omission. That omission is any reference to the name of God.

"I am convinced that faith in God is historically implicit in the phrase of the preamble, 'common heritage and civilization of their peoples.' This faith requires explicit statement. It is a component part of the testimony to be borne by the proposed treaty before the nations of the world.

"I respectfully request that, if your conscience and your judgment permit, you seek to provide for an unashamed recognition of divine providence in the affairs of men and nations by an amendment to the preamble of the proposed North Atlantic Treaty.

"Such an objective could be secured by the insertion of two words, 'under God,' following the word 'desire' in the first sentence of the preamble. The sentence would then read: 'The parties to this treaty reaffirm their faith in the purposes and principles of the Charter of the United Nations and their desire, under God, to live in peace with all peoples and governments.'

"The addition of these two words will bear witness to a religious motive which must be in the minds of the signatory governments. If such a motive is absent the making of a treaty is vain. If this motive is indeed present, let it be stated openly.

"The words 'under God' have an honored place in the heritage of the United States of America and in the heritage of the other signatory nations. However, they are not extracted from an official document and therefore require no political explanation in the association of other governments.

"It is my opinion that by proposing such an amendment you will serve our Nation faithfully. The open recognition of God is wholly consistent with the procedures of the United States Senate.

"I shall appreciate your consideration of this suggestion."

And just a few days ago I had called to my attention that during the debate in the Canadian House of Commons on Friday, April 29, 1949, in Ottawa, when that body approved the North Atlantic Treaty, a member of the Parliament made the following striking statement:

"Finally, sir, I regret that we have not seen fit in either of the resolutions bringing this pact before the house to give expression to our need for divine guidance in finding a way through the rocky shoals of a very difficult world situation.

"I have on several occasions pointed out to the house that Canada is a Christian nation. We have constantly expressed our belief in the Christian way of life. Every day this House of Commons is opened with a fervent prayer to Almighty God to guide us in our deliberations. And yet, in one of the most important documents to be brought before

the House of Commons at any session, this Atlantic Pact, we have not seen fit to include in the resolution an expression, in so many words, of our need for divine guidance to help us find our way through a difficult situation."

I took up with some of my colleagues the challenge of Dr. Tabor's letter, and it was agreed by all of us that the point emphasized by the writer was a matter of first importance. But we felt it might be inappropriate at this time actually to seek to amend the treaty itself, as suggested by Dr. Tabor, or to pass a reservation which might be construed to require the formal approval of all the other signatory nations. Our purpose, obviously, should not be to tell the other nations of the world what their position should be in a matter of this kind, but, rather, it seemed to us that the proper course would be to indicate to the other participants our own convictions, based on our own traditions and history.

It is with this point of view that my colleagues and I present to the Senate of the United States at this time of the ratification of the North Atlantic Treaty a resolution of interpretation of what we in the Senate of the United States believe to be our American spiritual heritage.

CONCLUSION—A RESOLUTION OF INTERPRETATION

Mr. President, in developing this sharp cleavage between the materialistic atheism of communism and our American faith in the guiding hand of God in our destiny, it is not my purpose to criticize, in any way, those who participated in the drafting of the United Nations Charter or more recently in the drafting of the North Atlantic Treaty. I can well appreciate what their problems were and we are all grateful for a fine job well executed. Nor do I wish to pose as preaching to my senatorial colleagues on the subject of America's faith. But, Mr. President, I am so firmly convinced that the people of these United States would want someone to say at this critical time what my colleagues and I have tried to say in this simple resolution that I feel it is a privilege to point out this great historical fact in our American history.

The cold war is on, no matter what the outcome of the present Paris talks. And that cold war is presenting a clear-cut issue. Shall the individual man, who throughout history has been seeking to find the reality of God, hereafter be ruthlessly denied that quest? Or should that infinitely precious individual be told in no uncertain terms that our America believes that there is a guiding purpose in this great universe; and that America is confident that the guiding hand of God, which led America through the darkest days of her history, will continue to guide our destiny and the destiny of all mankind?

If we give the right answer, Mr. President, then from America's mountain top of liberty under God, the despairing people of the world may be able to see the long way ahead to the true brotherhood of mankind—"one far-off divine event to which the whole creation moves."

Mr. President, we respectfully submit for appropriate reference our Senate resolution which reads as follows:

"Whereas the history of these United States clearly records the faith of our forefathers in Almighty God from the days of the earliest colonization and during all the crises of their early struggles; and

"Whereas these United States and the other nations parties to the North Atlantic Treaty are believers in the guidance of the Creator in the affairs of men: Therefore be it

Resolved, That the Senate of the United States interprets the language of the preamble to the North Atlantic Treaty, reading as follows: 'They are determined to safeguard the freedom, common heritage and civilization of their peoples,' to include this na-

tion's most precious heritage—our continuing faith in our dependence upon Almighty God and His guidance in the affairs of men and nations."

COMMENDATION OF PHILIP MURRAY AND THE CIO FOR OUSTING COMMUNISTS

Mr. MARTIN. Mr. President, I rise to express commendation and my personnel appreciation of the sound action taken by Philip Murray and the executive committee of the CIO in recent days. I refer to the forthright drive to rid that great labor organization of the Communist taint in the leadership of some of its unions.

The CIO has never been on my side. In fact, it has been one of the most active of my political opponents.

For my part, I have found fault with the CIO many times. For years I have demanded that it purge itself of the Communist-card carriers and the fellow travelers who have had such great influence in its activities. And for years, because of this demand, some members of the CIO have called me a wide variety of names—none of them pleasant.

I have also criticized the rule-or-ruin tactics of the CIO, its insistence that public officials take care of it first, ahead of the welfare of the public as a whole. I shall always object to such tactics, whether they come from labor, industry, politics, or from any other source, including the Federal bureaucrats.

But when Philip Murray and his CIO do a fine and courageous thing, even though belatedly, I feel that they should be commended and congratulated.

I hesitated for several days to make this statement on the floor of the Senate. I believed it should and would come from the CIO's friends in the Senate, those who have backed its activities, and who in turn have been the beneficiaries of PAC votes.

But, oddly enough, none of them has come forward on this floor to laud that organization for its increasingly successful fight to get rid of the foul fumes of communism which pervade some sections of the CIO.

Since I believe that public recognition is due Mr. Murray and the CIO, I have decided that I should call attention to their action, rather than let it go unnoticed on the floor of the United States Senate.

I want to remind the Senate that Philip Murray, national president of the CIO and of its steelworkers, is a Pennsylvanian. He is a former coal miner of my State; in fact, he worked in the coal mines of Washington County, my own home county. He rose to his present eminence by hard work and full use of his intelligence. He is and always has been strongly anti-Communist.

What is new and important is that finally he has been able to rally enough other leaders of his organization to make the drive which is presently succeeding.

Mr. President, I commend to the United States Senate the action of the CIO board, which met here in Washington the other day and made clear that it will no longer tolerate Communists and Communist sympathizers in high places in that labor organization.

It is appropriate also at this time to suggest similar action by those bureaucrats who, willfully or otherwise, have closed their eyes to the dangers of communism in this country. I recommend that they face this situation with vigor and courage, and take such steps as are necessary to drive out every Communist who holds a place in our Government.

ADMINISTRATION OF CENTRAL INTELLIGENCE AGENCY

The Senate resumed the consideration of the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

Mr. TYDINGS. Mr. President, I should like to make a brief explanation of the pending bill. It is similar to one which was passed unanimously by the Senate at the last session. The bill presently before us is a House bill which passed the House of Representatives, as I recall, by a large favorable vote; I think there were only about four votes in opposition to it. It is called the Central Intelligence Agency bill.

Although this measure may be looked upon by some persons as of little importance, in my opinion, for whatever it may be worth, it is one of the most important pieces of legislation which we shall consider in this Congress. I say that for the reason that it is important that our military authorities be completely advised in regard to what is taking place in the world, so that they may constantly make an estimation of the probable dangers which eventually may confront our country, and of how they may deal with them.

The bill relates entirely to matters external to the United States; it has nothing to do with internal America. It relates to the gathering of facts and information beyond the borders of the United States. It has no application to the domestic scene in any manner, shape, or form.

The work to which the bill relates is dangerous work. In many localities where representatives of our Government may go in quest of information, if they are detected they are likely to pay for their adventuresome spirit with their very lives. I should say it is not improbable—and I am measuring my words—that many men working for our government already have paid the supreme sacrifice in attempting to gather information of a nature vital to our country. Particularly when our soldiers are stationed abroad in such goodly numbers in many countries, and where there are at times the possibilities of conflict, it is important that a variety of useful information be assembled, in case of need—not that we are going to use it to make war, but so that we may use it in the event war is made upon us, so as to save the lives of citizens of our country and even the lives of civilians who are not citizens of our country, but who might be in the path of a conflict in which our own troops might eventually be engaged.

This bill has the approval of the State Department and of the Department of Justice. Its enactment is desired by the

military department of the Government. The bill has been referred to the chairman of the Judiciary Committee of this body, the Senator from Nevada [Mr. McCARRAN] who is in charge of certain phases of activity in our domestic scene upon which this measure might impinge slightly; to wit, the admission to this country of an immigrant who would give us valuable information. The Senator from Nevada has read the bill and has given his written approval of it.

I am available now to answer questions, insofar as I can, by Senators who are not members of the committee, who perhaps would like to have some information which I have not covered in this brief summary. I have no desire to take up the time of the Senate in an extensive analysis of the bill, but I think I have indicated enough to show what its general purport is and how important it might be in conceivable circumstances to the safety and the lives of people in and out of uniform in our own country.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Virginia.

Mr. ROBERTSON. I should like to ask the distinguished Senator from Maryland whether the program is to supplant the present counterintelligence work of the Army or is to complement it?

Mr. TYDINGS. I may say the bill changes nothing that is not now in existence insofar as foreign intelligence is concerned. It is already provided in the Unification Act that there shall be a central intelligence agency charged with these duties, but unfortunately the provision is couched in a generality, and this bill is to give the agency, inasmuch as we have it anyway, the mechanics so it can be more effective than it could otherwise be.

Mr. ROBERTSON. I may say to my distinguished colleague that I am in full sympathy with the purpose of the bill and shall gladly support it.

Mr. TYDINGS. I say in conclusion, we must always know the size of the armies of other countries, we must know what their air potential is, what inventions they are pursuing, what the people in a possible enemy country are likely to think or are likely to do, or how they are likely to react to a given circumstance. We cannot merely take the word always of the governmental authorities who are for the moment in charge of those countries. We have to know the real truth, and it is in order to do this that we have such an agency as this, that the logistics that flow from this information may be always available in the time of emergency.

Mr. CAIN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Washington?

Mr. TYDINGS. I yield.

Mr. CAIN. May we safely conclude that in the days prior to World War II America did not benefit from what the Senator and his associates have endeavored to work out and are now presenting to us?

Mr. TYDINGS. I should say that prior to our entry into World War II we were babes in the woods to a large extent in this field. If we had had then what we have now it is possible there might have been a different result at Pearl Harbor. The information was there, and we should have had men operating within the group who were adverse and hostile to the United States, working with them, so they could have told us what were the intentions of those people who were under our flag, ostensible citizens, but who were plotting, in liaison perhaps with possible enemies, to destroy the United States of America. I thank the Senator for his interruption.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. As one who followed the bill very closely last year and was in charge of it, there is but one thought on which I think the Senator might enlarge somewhat. This intelligence agency does no work at all within the continental United States, except to assimilate information it receives elsewhere. Is not that correct?

Mr. TYDINGS. The Senator is completely correct. There is not a single agent of this intelligence agency working within the United States in any form of espionage, directly or indirectly. It is purely and completely and wholly and singly in the external or foreign field. It has no connection with the FBI, it is not under the FBI, it does not do the same kind of work as the FBI. Its sole effort is outside the United States.

Mr. SALTONSTALL. Am I correct in saying that it does not interfere with the FBI in any way, shape, or manner?

Mr. TYDINGS. That is correct. It does not interfere with it in the slightest degree. Are there any other questions? If not, I do not desire to hold the floor, but I hope the debate will not be too greatly extended, that we may draw the issue, whatever it is, and have the Senate on record, and I hope, with overwhelming support.

The VICE PRESIDENT. The bill is open to amendment.

Mr. LANGER and Mr. NEELY addressed the Chair.

The VICE PRESIDENT. The Senator from North Dakota.

Mr. LANGER. I yield to the Senator from West Virginia.

Mr. NEELY. I thank the Senator, but I want the floor in my own time.

Mr. LANGER. Mr. President, I have listened with considerable interest to the Senator from Maryland. I agree with him that in general the purposes of the bill are fine. I agree with him that it is one of the most important bills ever to come upon the Senate floor. But I totally disagree with him as to two aspects of the bill. With respect to those aspects of the bill, I propose to offer amendments in the hope that we may be able to make the bill what it ought to be.

First of all, I call attention of the entire Senate to the report of the House committee, which, at page 6 thereof, says:

The report does not contain a full and detailed explanation of all of the provisions

of the proposed legislation in view of the fact that much of such information is of a highly confidential nature.

So, Mr. President, we have a situation in America wherein the House of Representatives passed a bill without having full and detailed information of the provisions of the bill, without, as a matter of fact, knowing exactly what the purpose of the bill was, and so far as I know—

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I decline to yield at this time. A little bit later, I shall be glad to yield to the Senator. I say that so far as I know, it is the first time in the history either of the House or of the Senate that any report contained the statement:

The report does not contain a full and detailed explanation of all of the provisions of the proposed legislation in view of the fact that much of such information is of highly confidential nature.

Mr. President, I ask every Senator, if he will, to compare the House report with the Senate report. It will be found that they are almost identical, with the exception of the three or four lines which I have just quoted. In other words, in the House there were a few Representatives who objected to the bill. By reading the proceedings of the House yesterday it became apparent that those Representatives resented the fact that they were asked to vote for a bill which had not been reported to them in its entirety, a bill as to which there was some secret, confidential information they had not obtained. The result was that when the Senate Committee on Armed Services submitted its report those four lines were eliminated.

What did Representative CELLER, chairman of the House Committee on the Judiciary, say about the bill? I read from the debate in the House, on March 7, at page 1985, Mr. CELLER's statement:

Mr. Speaker, although I do not like the hush-hush business surrounding this bill, I shall not oppose it. Certainly if the members of the Armed Forces Committee can hear the detailed information to support this bill, why cannot our entire membership? Are they the Brahmins and we the untouchables? Secrecy is the answer. What is secret about the membership of an entire committee hearing the lurid reasons? In Washington three men can keep a secret if two men die. It is like the old lady who said, "I can keep a secret but the people I tell it to, cannot."

I must counter the remarks of the previous speaker. We have in the bill this very significant language "for permanent residence without regard to their inadmissibility under the immigration or any other laws or regulations."

In the first place, if there had not been a closed rule, I would have made the point of order to strike out this provision because it is exclusively within the province of the Committee on the Judiciary and is not the business of the Committee on Armed Services. The Committee on Armed Services has nothing to do with immigration.

I may say, Mr. President, that I have here a copy of the La Follette-Monroney Act. That legislation was passed 2 years ago in order to give to each committee jurisdiction of certain specific matters. On page 17 of the La Follette-Monroney Act it is provided that the Committee on the Judiciary shall have exclusive juris-

diction of immigration and naturalization. The distinguished Senator from Maryland knew that, so he talked to the chairman of the Committee on the Judiciary. The distinguished Senator from Maryland is one of the ablest Senators upon the floor. He made a long and extended argument in favor of the La Follette-Monroney bill. He knew that the chairman of the Armed Services Committee had no authority to write any law affecting immigration and had no authority to pass upon such a matter. It was a matter which was entirely and solely, first of all, within the jurisdiction of the Subcommittee on Immigration and Naturalization of the Judiciary Committee. Up to the present time the bill has not been referred to the Judiciary Committee.

I want to make it clear how differently committees function. In the Eightieth Congress the Committee on Post Office and Civil Service unanimously reported a simple bill providing for reduced postage rates to Germany, Austria, Italy, and some other European countries. When we got through with it it was decided that the bill should go to the Committee on Foreign Relations. That committee, in turn, had to pass upon the proposition as to whether there was anything in the matter of lowering postage rates to some of the foreign nations which would be detrimental to our foreign relations.

We have in the pending bill a brand-new section, one which, according to my recollection, was not in the bill of last year. It is exclusively, fully, and completely within the jurisdiction of the Immigration and Naturalization Subcommittee of the Judiciary Committee, and at no time was it ever referred to that committee.

Representative CELLER continued with his speech as follows:

Now this provision I have read throws out the window, at the discretion of the Director mentioned in this bill and the Attorney General, all the legislative immigration restrictions that we have built up over the years.

Representative CELLER was absolutely correct. He said, further:

It throws them to the winds, and if the Attorney General and the Director wish to admit Fascists, Communists, Hitler sadists, morons, moral perverts, syphilitics, or lepers, they can do it. I think the House ought to know what it is legislating about, and I think, in a measure, this indicates how the cold war is unhinging the nerves of some of our high military authorities. The secrecy, especially the brand we are treated to, is ridiculous. Secondly these immigration privileges are badly conceived. If you want to give this authority to the military, all right, but I think we should know what we are doing and whither we are going. The military is not infallible. Witness the situation of the charges levied by the military intelligence against one Agnes Smedley recently, that she was a Communist, or a Russian spy, and instead of retracting when they found they were in error, they simply admitted a faux pas. The military is indeed not infallible. On the question of immigration they are given carte blanche, willy-nilly, to admit 100 persons under this particular provision which should be stricken from the bill or, if it is not stricken, certain safeguards should have been added.

I have spoken briefly to advise the Armed Forces Committee to stick to its own knitting.

When immigration is involved, let the proper committee be consulted—the Judiciary Committee.

Mr. President, I wish to invite attention to section 8 of the bill. I may add that I shall offer an amendment to strike out section 8. That section reads as follows:

SEC. 8. Whenever the Director and the Attorney General shall determine that the entry of a particular alien into the United States for permanent residence is in the interest of national security on essentials to the furtherance of the national intelligence mission, such alien and his immediate family shall be given entry into the United States for permanent residence without regard to their inadmissibility under the immigration or any other laws and regulations, or to the failure to comply with such laws and regulations pertaining to admissibility: *Provided*, That the number of aliens and members of their immediate families entering the United States under the authority of this section shall in no case exceed 100 persons in any 1 fiscal year.

What is the situation, Mr. President? Two men, the Attorney General and the Director, can set aside the entire immigration laws of the United States. Already there are five or six million aliens in this country. Already the Attorney General and the Director of Immigration have advised our committee that they cannot find them all in order to get rid of them. We have had an example of kings, queens, princes, counts, dukes, and what not, chasing over to England, and of the existence of governments in exile there. Already some have chased over to the United States. King Peter of Yugoslavia was riding in Connecticut, going at the rate of 70 or 80 miles an hour, when he was arrested for speeding and endangering the lives of persons along the highway. He claimed immunity. He said, "I cannot be arrested." The police of the State of Connecticut released him. A few nights later he was in a place in New York called the Stork Club. I discussed this incident with my distinguished friend from Maryland. He said he was thoroughly familiar with the Stork Club. It so happens that I am not familiar with it. I do not know how large a place it is, but it seems they have certain favorite tables in that club. At any event, when the ex-King of Yugoslavia dropped in, he was not given the best table. He was given what he thought was a second-best table. So he started a rumpus, and, as I remember, the police were sent for and the manager of the Stork Club stood firm and said he would not take the table away from the people who occupied it and give it to the so-called King of Yugoslavia.

There is nothing to prevent all the ex-crown princes and persons of so-called blue blood or royal blood, with whose names I am not familiar, but whom my distinguished friend from Maryland knows by heart—he knows some of them by their first names, I found in discussing the matter with him—there is nothing to prevent their coming in at any time. They do not have to enter as other individuals do. All they have to do is to get the Attorney General and the Director to say, "Come on in." They do not have to obey a single law which we have

passed in order to protect citizens of the United States.

When this bill was before the House, another Representative had much to say about it. Before I take that up, I repeat what I have already said, I intend to offer an amendment to eliminate section 8. If the proponents of the bill want section 8, if they want to have the power to let a hundred people come into the United States, and if they are people who for national security reasons should come in, I have not any objection to having a separate bill introduced and presented to the proper committee, and with proper safeguards we can see that people who will help the United States can get into our country in 24 hours, as the report made by the Committee on Armed Services says they want the law to be.

Why stick in this section 8? It is stuck into a bill where it has absolutely no right to be. It is stuck into a bill which deals with contracts, into a bill which provides that the Director of the Central Intelligence Agency may make contracts involving up to \$1,000, that he can buy things in an emergency, and all that sort of thing. Then out of a clear sky they stick in section 8, providing that 100 people may be admitted without regard to the immigration laws of our country.

Mr. President, both the distinguished Senator from Massachusetts and the distinguished Senator from Maryland a few moments ago stated that this bill had nothing to do with the internal affairs of this country at all, that it dealt only with territory outside the continental United States. Let me read subdivision (B) on page 7:

While in the continental United States on leave, the service of any officer or employee shall be available for work or duties in the agency or elsewhere, but the time of such work or duties shall not be counted as leave.

The Senator from Maryland says that what is provided for in the bill is being done now, that the Navy and the Army and other branches of our Government have thousands of these people. I have not the least objection to taking all of them and putting them under the Central Intelligence. I have not any objection at all to that being done, and the cost to our taxpayers being reduced, provided the people do their work outside this country, just as was alleged a few moments ago by the distinguished Senator from Maryland is being done.

Mr. TYDINGS. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield to the Senator from Maryland.

Mr. TYDINGS. I share the Senator's concern, and I am glad he wants to be reassured in reference to this matter. But let me correct the Senator. I never said that the Army and the Navy had thousands of men engaged in this service. So far as I know, the Army and Navy have no one engaged in it.

To come down to the point the Senator raises as to paragraph (B) on page 7, that will apply only when the agents are brought back for reorientation, to be told what their new tasks shall be. While they are on leave they may be

called to Washington and assigned to a new task, given training in the new task, and then sent out. They do no work in the United States, but they do have to come back to be indoctrinated into all the difficulties which will confront them when they take up a new task. That is the only purpose.

I know the Senator may not agree with me, but he knows I would not deceive him in any sense of the word as to this bill or any other matter, and I can assure him, after thorough investigation, that none of these agents will work at all in the United States. The only time they will do anything here is when they come, either on leave to visit their families, or come back, if they are changing their stations, to be reindoctrinated.

Mr. LANGER. The Senator said that the Army and the Navy had none of these people here, yet he told us not half an hour ago that all the work that is contemplated by the bill is being performed here now by agencies. What are those agencies?

Mr. TYDINGS. It is being performed by the Central Intelligence Agency, which is a branch of the National Security Council. It works under the National Security Council. It advises the President.

Mr. LANGER. The Senator knows that we have a Naval Intelligence, and he knows we have a Military Intelligence.

Mr. TYDINGS. If the Senator will permit me to complete my answer, he has gotten the two things confused, understandably. Army Intelligence deals primarily with logistics. We know how large a certain army is, we know how large a certain navy is, we know how many airplanes another country has, we know how many trucks he has. Naval Intelligence deals primarily with navies, or the logistics of moving or dealing with armaments in the hands of a possible enemy. The organization we are here concerned with is primarily established to find out what the intention of a possible enemy is, what he is doing, what he is concealing, his movements, what the people in the foreign country think and assorted information of tremendous value on a military plane.

There are none of these agents who work in the United States. I hope the Senator will take my word for that. We went into that subject very thoroughly in the committee, and all this work is completely outside the United States, except for the indoctrination which must take place whenever an agent is sent into a new field.

Let us suppose an agent is being sent to Country X. He has to be told what he is to do in Country X, he has to be told what the customs are in Country X, he has to be furnished with a variety of information so that he can work there unobserved and obtain information, and, to tell the truth, so that he will not be killed, as in some cases men have been killed. The reason why there must be secrecy is that we do not want men to lose their lives, and I regret to tell the Senator from North Dakota that some men have already lost their lives in this service. I make that admission

regretfully, and we want to make provision so that others will not lose their lives.

When men undertake this character of work, they take it on the understanding that they may not come back, because in some cases when they are caught they are put to death. We might as well say that on the floor of the Senate. We are dealing with the lives of men who are in this service, and for that reason there has to be a great deal of secrecy thrown around the work.

Mr. LANGER. Mr. President, I repeat what I said at the beginning of my argument, that I agree fully, completely, entirely, absolutely, and wholly with the desire to protect the lives of these people working for our Government. I believe in national security.

Let me read what Mr. SASSER said about the purposes of the bill in the House of Representatives. I read from his statement:

Mr. Speaker, H. R. 2663 is a bill to provide for the administration of the Central Intelligence Agency. There have been some misconceptions as to its purposes. For this reason, I would like to make certain broad statements concerning the bill and its purposes before discussing it in detail.

The Central Intelligence Agency was established as a successor to the Central Intelligence Group, under the provisions of section 102 of the National Security Act of 1947.

Now I wish to ask the Senator from Maryland a question.

Mr. TYDINGS. Will the Senator allow me to make an observation before he asks the question?

Mr. LANGER. Certainly.

Mr. TYDINGS. I should like to tell the Senator that the Senator from Maryland was fortunate enough to have a boyhood friend who had charge of some of the most difficult and important work undertaken in this line of activity during the war, and I have perhaps heard more of the ramifications of this service than any other man in Congress, because I had the good fortune to sit at the feet of this particular individual, and I have heard him tell many things that happened, and the difficulties encountered. So I have a little more concern than I would have, had it not been for this personal experience. It is only out of abundant caution, knowing how a little thing disclosed may put an agent in a very difficult place, that the Senator from Maryland has striven to be cautious in what he has said.

Let me say a further word. Suppose a man is a citizen of country A. Suppose he comes to our representative and says, "I am a citizen of country A, but country A does not like your country. I do like your country. I should like to work for your country." Suppose that man is working in some official capacity in country A, and we employ him, and get information we may desire. If that man were to be detected he must know in advance that he can come to the United States, that he can escape, and secure asylum here. Otherwise, on his return, he will be confronted with the general laws of the country from which he came, and that means his death. So if we are going to ask people to assume this

dangerous work we will have to give them the assurance that we will stand behind them in the event they are threatened with the loss of their lives if they are detected while working for our country.

Mr. LANGER. Mr. President, I agree with every single word the Senator from Maryland has said. I repeat, however, that I agree also with the distinguished chairman of the House Committee on the Judiciary, Representative Celler, when he said, on the question of immigration:

On the question of immigration they are given carte blanche, willy-nilly, to admit 100 persons under this particular provision, which should be stricken from the bill, or, if it is not stricken, certain safeguards should have been added.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TYDINGS. Let me say to the Senator from North Dakota that no one can come into this country under the bill except with the approval of the Attorney General, who already has supervision over the immigration laws, and of the Secretary of Defense. A person cannot wait to secure a visa when his life is threatened. A man who undertakes this dangerous work wants to know that he can come into the United States on 2 minutes' notice; that he will be identified and given asylum here. He will not undertake such work unless he knows that, if he is detected and wants to flee for his life, there is an open door into this country for which he is risking his life to serve, and that he will not have to go through the red tape of securing a visa. Let me tell the Senator that every government on earth makes provision of this sort for men who work in the secret service.

Mr. LANGER. Mr. President, again I assure and reassure and re-reassure the distinguished Senator from Maryland that he and I are in complete agreement on the matter of allowing entry to whatever number of persons may be necessary; but, nevertheless, I agree with the distinguished chairman of the House Committee on the Judiciary when he says:

This particular provision . . . should be stricken from the bill, or, if it is not stricken, certain safeguards should have been added.

Section 8 does not protect the people of the United States from having a group of Communists or Fascists, or whatever they may be, come into this country. Section 8, which in a proviso permits the entry of 100 persons a year, provides:

Whenever the Director and the Attorney General shall determine that the entry of a particular alien into the United States for permanent residence is in the interest of national security or essential to the furtherance of the national intelligence mission, such alien and his immediate family shall be given entry into the United States for permanent residence without regard to their inadmissibility under the immigration or any other laws and regulations, or to the failure to comply with such laws and regulations pertaining to admissibility.

Mr. President, I submit there is nothing in the bill which gives us any juris-

diction over these persons after they get into our country. When they come here they are on an absolute par with the distinguished Senator from Maryland. They can go wherever they want to go, they can do what they want to do. There is no provision that they must make reports. There is no provision for following them up. That is why I say that, agreeing as I do with the distinguished Senator from Maryland, I believe we should place some safeguards in section 8, or else keep such aliens out of the country.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TYDINGS. In the first place, I believe the Senator has covered a great deal more territory than the facts in the bill warrant. For example King Peter, and all the princes and dukes and other royalty who visited the United States during the war came in under State Department visas, and they have nothing more to do with this bill than I have to do with the Chinese Communist Government at this moment. They all came to the United States when there was no Central Intelligence Agency in existence. They all came here under State Department visas. We are not in this bill dealing with any such attention. Anything of that nature is as far from this debate as Siam is from North Dakota.

Let us get down to the meat in the coconut. What greater safeguard would the Senator want than to require that the Director of the Central Intelligence Agency, who is charged with the security of the country so far as intelligence is concerned, and is certainly not going to permit anyone to come into the United States who might endeavor to overthrow the Government, and the Attorney General of the United States, who is charged with enforcing the law, shall make the determination? Would the Senator from North Dakota feel more assured if we put the President in it, too?

Mr. LANGER. I might say to my distinguished friend from Maryland that if we had another Attorney General like Harry Daugherty, I would not want him to pass on anything, even a dog, coming into this country. We have had one Attorney General of that kind.

Mr. TYDINGS. We have had Senators and Representatives and even Presidents who have not been all we would hope they should be.

Mr. LANGER. We have immigration laws to take care of the admission of aliens. Under our immigration laws safeguards can be placed around the entry of these 100 people. I want the immigration laws of the country enforced, or, if necessary, so changed as to provide safeguards when these hundred individuals the Senator wants excepted, are admitted into the country.

Mr. TYDINGS. How would the Senator do that?

Mr. LANGER. I would have the section submitted to the Committee on the Judiciary and to the Immigration and Naturalization Service.

Mr. TYDINGS. How would he get the people into the United States immediately and at the same time throw the

safeguards he desires around them and around us?

Mr. LANGER. I would do exactly as the chairman of the House Committee on the Judiciary, Representative CELLER, said we should do. He suggested the way safeguards should be placed around us.

Mr. TYDINGS. What are they?

Mr. LANGER. I would call in the Director of Immigration and Naturalization and ask him what is necessary to be done in order to carry out the committee's recommendations. The Armed Services Committee did not do that. There are no safeguards contained in the bill at present.

Mr. TYDINGS. Oh, yes; the Attorney General and the man who is charged with securing the information to safeguard the United States of America certainly are not going to let come into the country someone who wants to do harm to the United States of America. The trouble is that Mr. CELLER is looking upon this sort of activity practiced by all governments as if it were a regular, open, above-board, orthodox, give-and-take procedure. This is one of the things which ought not to be practiced by any government, but which every government has to practice in self-defense. It is somewhat like war. No country ought to make war. A war is the most outrageous crime human beings have ever put their hands to. But so long as people are threatening to make war on us we have to be ready to protect ourselves. That is the philosophy of the bill. The lives of our men overseas in many cases depend on this bill having enough elasticity to it so it can serve the purposes of the security of the country without any undue delay. It may be the Senator's son or my son or someone else's son who is dependent upon the information which the Central Intelligence Agency will assemble for the protection of our troops.

Mr. LANGER. Mr. President, we are not at war at the present time. Representative CELLER yields to no man in patriotism. I have known "MANNY" CELLER for over 30 years. For 24 years he has been a Member of the House. For 24 years he has been a member of the Committee on the Judiciary of the House. When "MANNY" CELLER says there ought to be safeguards placed in the law before 100 aliens are permitted to come into the country, I take the word of Representative CELLER, the chairman of the House Committee on the Judiciary. He is an outstanding patriot. He is an honest gentleman, with a world of experience.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TYDINGS. I should like to say that I have served with Mr. CELLER in the House of Representatives. I became a Member of the House of Representatives and Mr. CELLER became a Member of the House of Representatives in 1922. My relations with him and affection for him and respect for him are of the very highest order. What I say is said with no reflection on him. But when the bill passed the House, after Mr. CELLER had made his speech, from which the Senator has read in part, the

vote was 348 in favor of the bill and only 4 against the bill. Let me say to the Senator that if this had been an immigration matter per se Mr. CELLER would have secured 348 votes in support of his position, and only 4 votes would have been against his position. This is not an immigration matter. It has nothing to do with immigration per se. This is asylum for military agents who are working for the United States, and who are faced with death if they are caught. We simply tell them in advance that if the Director who employs them, and the Attorney General, who is detached from the Director, approves it, if they are detected and their lives are in danger they may come into the United States. After that, they are just the same as anyone else. They have no immunities or privileges.

Mr. LANGER. Mr. President, the argument that this bill has nothing to do with immigration is the sheerest nonsense. Again I quote Mr. CELLER. At the end of his talk he said:

I have spoken briefly to advise the Armed Services Committee to stick to its own knitting. When immigration is involved, let the proper committee be consulted—the Judiciary Committee.

That is the statement of a man who has been a Member of the House for 24 years.

Mr. President, I invite attention to page 7 of the bill, subparagraph (B), which reads as follows:

While in the continental United States on leave, the service of any officer or employee shall be available for work or duties in the Agency or elsewhere, but the time of such work or duties shall not be counted as leave.

The services of such officer or employee are not to be used in this country. This bill deals with activities outside continental United States.

Mr. TYDINGS. That is correct.

Mr. LANGER. If that be true, would the distinguished Senator be willing to accept an amendment in line 4 on page 7, after the word "shall" to insert the word "not" and strike out lines 6 and 7?

Mr. TYDINGS. Will the Senator read the language as it would then be?

Mr. LANGER. It would read:

While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties in the agency or elsewhere.

Mr. TYDINGS. I would accept that amendment with one qualification, and that is that they can receive training here. If the Senator will exclude training, if his language is broad enough so that training and indoctrination are not included as work, I shall be delighted to accept the amendment. I do not want to tie up the situation so that when they get to the United States they cannot receive any training or indoctrination. They are working then, but they are not working on espionage in the United States.

Mr. LANGER. Again I agree with the Senator from Maryland 100 percent.

Mr. TYDINGS. Let us adopt language which will accomplish that purpose.

Mr. LANGER. I have the amendment prepared.

Mr. TYDINGS. Work would include work in the department. If the Senator wants to say that they cannot work in

the United States or receive pay while they are here for indoctrination and training, his language is most unfortunate. I am with the Senator in theory, but his language goes further than his theory.

Mr. LANGER. I am taking the language in the bill. With my amendment, the language would read:

While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties in the agency or elsewhere.

Mr. TYDINGS. Let me show the Senator, in good faith, what he would do by his amendment.

Mr. LANGER. I am not through.

Mr. TYDINGS. If the Senator will lay aside his pride of authorship for a moment, and listen to me—

Mr. LANGER. I am delighted to listen to the distinguished Senator as long as he wishes to talk.

Mr. TYDINGS. I do not wish to take long. However, the language would read as follows:

While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties in the agency or elsewhere.

He could not even go to the central agency and work there. Does the Senator want to say that?

Mr. LANGER. I would not object to his working in the agency, but I do not want him to work elsewhere.

Mr. TYDINGS. I ask the Senator to read his own amendment, and see if it does not exclude work in the agency.

Mr. LANGER. The distinguished Senator just said—

Mr. TYDINGS. I cannot accept an amendment of that kind.

Mr. LANGER. Suppose the distinguished Senator drafts the amendment.

Mr. TYDINGS. I think the language is all right as it is. I am not complaining.

Mr. LANGER. The Senator said he would accept the word "not."

Mr. TYDINGS. I said that I would accept the word "not" assuming that it allowed the man to work in the agency, and allowed him to be trained in the United States.

Mr. LANGER. We can meet that difficulty very simply by adding the word "except."

Mr. TYDINGS. Will the Senator read the language as it would be with the word "except"?

Mr. LANGER. It would then read:

While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties except in the agency, and for training.

Mr. TYDINGS. How about orientation schools?

Mr. LANGER. Let us put that in.

Mr. TYDINGS. If the Senator will complete his amendment, I am willing to accept an amendment which is concise and clear, and which does not include the orthodox work of these agents within the continental United States. In my opinion, that is what the present language does.

Mr. LANGER. Let me say to my distinguished friend that no doubt he is familiar with the fact that in the debates

in the House the claim was made that when these men come back they will be used to break up labor unions. I do not believe it.

Mr. TYDINGS. Let me tell the Senator how that foolish idea originated. Let us assume that a laboring man is a part of this organization, and that we want to send him over to Germany, for example. Let us assume that he speaks German. He may never have had any affiliation with a labor union. He is going to associate with men both in and out of labor unions. Obviously he would have to be sent where labor unions meet and discuss questions, and where they act, so that he could get the feel of the situation, and so that he would not be like a sore thumb sticking out when he reached a foreign country. He would need to know the techniques, the lingo, the habits, and so forth, of those who are labor-union men, in order that he might be an efficient, undisclosed officer gathering information, without any idea on the part of those who would give it, that the information was being imparted to our Government.

Mr. LANGER. I fully agree with what the distinguished Senator says.

Mr. TYDINGS. I do not believe that the Senator can improve very much on the bill. The very questions which he has brought up have been thoroughly canvassed and considered by the committee. The exact language which we have accepted has been adopted as safeguarding our internal affairs while giving the widest scope to the agents in the external field.

Mr. LANGER. The Senator may be correct—

Mr. TYDINGS. We have been all over this question in great detail. Witnesses have been interrogated at great length. The hearings have been extensive. We have considered every phase of the problem. The Senator has not heard the testimony. Neither has Mr. CELLER. He did not attend one of the hearings—and properly so, because he was not supposed to attend them.

Mr. LANGER. The Senator's argument sounds very strange to me, after the experiences which I have had on committees. For example, take the pay bill. After more than a month of hearings last year, although the distinguished Senator from Maryland and some of his colleagues were not present at the hearings, they offered amendment after amendment. What is there sacred about this bill, that it cannot be amended? It is the same as any other bill. I think I have a good amendment.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TYDINGS. Let me say to my friend from North Dakota that there is a great deal of difference between amending a pay bill and dealing with an extremely sensitive and secretive function of Government which has to do with the lives of men, not in wartime, but in peacetime. When we find that a man who has undertaken this work has not returned, but has been destroyed, we are not very anxious to do something which will result in the destruction of the next

man who comes along to carry on the task from that point.

I have already said much more in this debate than should be disclosed. I think this debate is unfortunate. I think it ought to be in executive session. I think there is a great deal of meat in what must be said here in order to get the bill through, which is serving those who are not friends of the United States. This is one time when there ought to be secrecy. The whole atmosphere of the bill is secrecy. I regret that in answer to the Senator's questions I have been forced to disclose as much as I have disclosed. We are not serving the United States or the brave men who are going forth under all kinds of difficulties to help to place the security of our Nation beyond peradventure.

Mr. LANGER. Mr. President, I yield to no man, including the distinguished Senator from Maryland, in patriotism. However, I will never stand on this floor with a report and say, "We are not reporting everything to this body which should be reported. We are keeping some of it back." The time has not yet come, during a period when we are not at war, when we cannot discuss any bill upon the floor of the Senate. So long as I am a Member of this body, whenever any proposal for appropriations is brought before us, or a bill to draft the boys from the farms, or any other kind of bill, I will not stand idly by and say, "We cannot discuss it."

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TYDINGS. Does the Senator think we ought to tell how many men we have in this service?

Mr. LANGER. I did not ask the Senator any such question.

Mr. TYDINGS. Does the Senator think we ought to tell their names and ages?

Mr. LANGER. The Senator knows very well that I did not ask such a question.

Mr. TYDINGS. It might be pertinent information.

Mr. LANGER. It might be, but I have not asked such foolish questions.

When it comes to creating an agency, I see no harm in seeing to it that the wording of the bill is right. I for one am not going to take any chances without a protest, even though I vote alone, against the establishment of a Gestapo in the United States by which people may be hounded and harassed by a central bureau, or by anyone else.

I know the fine mind of the Senator from Maryland, and I know what a big heart he has. I know how patriotic he is. He is one of the few Members of this body who has received the highest medal that it is possible for a man in the United States to get.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KEFAUVER in the chair.) Does the Senator from North Dakota yield to the Senator from Maryland?

Mr. LANGER. I yield.

Mr. TYDINGS. I wish to say to my good friend, the Senator from North Da-

kota—and I hope he will forgive me if I appear a bit vain in what I am about to say—that military and scientific developments have reached such wide ramifications today that it is not always possible to give to the Senate the detailed information in regard to many things which we would be delighted to give to the Senate or to have Senators who are not on the committee know if they could come to the hearings where we hear those things.

My reactions were exactly the same as those of the Senator from North Dakota when I first approached this bill. But if my judgment is worth anything—and in making this statement I am carefully measuring my words—I wish Senators to know that in my opinion this bill is carefully worked out. Every safeguard which could possibly be put into it without destroying its purpose has been put into it. Our committee is unanimous about the bill, not because we are in favor of espionage, for we are opposed to it, but because we hope it will not occur.

So I hope the Senator from North Dakota will not suggest the amendments he has indicated, because in my judgment they would do the bill more harm than any good whatsoever which they could possibly do.

Mr. LANGER. If we leave paragraph (B) the way it is, it would do the country a great deal of harm. It now reads:

(B) While in the continental United States on leave, the service of any officer or employee shall be available for work or duties in the agency or elsewhere—

And so forth. Mr. President, my distinguished friend, the Senator from Maryland, has not had the experience I have had with being hounded by Mr. Ickes' men, when he was Secretary of the Interior—when, as Governor of the State of North Dakota, I had men following me all over the United States, and my telephone in the Governor's office was tapped, and my desk in the Governor's office was broken into by men whom Harold Ickes had snooping around trying to "pin" something on me—and when similar things happened to the Republican lieutenant governor of Iowa, for such attempts were likewise made to "pin" something on him.

So I say to the Senator from Maryland that, in my judgment, the bill as now written would enable this agency to send its men inside the United States, into places inside the United States, for nothing in the bill would prohibit that. The only way that could be prohibited would be by inserting the word "not" in the bill at the point I have indicated.

Frankly, Mr. President, I cannot see any objection to such a change in the bill. If we make that change, paragraph (B), on page 7, then will read:

While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties except in the agency or for training or for reorientation for work; and the time of such work or duty shall not be counted as leave.

It seems to me that is an amendment which my friend, the Senator from Maryland, should, in good faith and good

conscience, accept; and I believe it would entirely do away with the charges which were made in the House of Representatives—that these men might possibly be used to break up labor unions or for some similar purposes.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Maryland?

Mr. LANGER. I yield.

Mr. TYDINGS. Of course, the Senator from North Dakota appreciates that I, as chairman of the committee, could not accept the amendment without breaking faith with the other members of the committee, who have not authorized me to do so.

I would say to the Senator from North Dakota that, as he has finally modified the amendment, he has made it a great deal more palatable. I cannot vote for it, but perhaps the Senate will agree with the point of view of the Senator from North Dakota. I hope the Senate will not, because I do not think the amendment is necessary. But I say that the Senator from North Dakota has made the amendment much more palatable now than it formerly was.

Mr. LANGER. Mr. President, I wish the Senator from Maryland would accept the amendment, because it is fundamentally right.

Mr. TYDINGS. Mr. President, I say to the Senator from North Dakota that I should like to have him repeat the amendment.

Mr. LANGER. Certainly. It is as follows:

While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties except in the agency or for training or for reorientation for work; and the time of such work or duty shall not be counted as leave.

Mr. TYDINGS. Mr. President, I will take the amendment to conference. Of course, I do not like to be a party to any deception and I point out now that the amendment is new. It is worthy of thought. The Senator from North Dakota has made a real effort to interweave his philosophy with the exigencies and dangers involved in this whole proposition.

I will not promise that the amendment will come out of conference; but the Senator from Maryland will do his best to see to it that the amendment receives adequate consideration along the lines the Senator from North Dakota has mentioned.

Mr. LANGER. Mr. President, I am very grateful to the Senator from Maryland.

Now let me ask about section 8. What can we do there to meet the objections of Mr. Celler? I refer now to section 8 on page 12.

I may say to the distinguished Senator from Maryland that I know that provision is not right.

What I shall mention now may have no bearing at all upon this particular piece of proposed legislation, but I wish to call the attention of the distinguished Senator from Maryland to Charlie Chaplin.

The PRESIDING OFFICER. Will the Senator from North Dakota permit the Chair to interrupt long enough to ask whether a vote is to be taken on the amendment which already has been stated.

Mr. TYDINGS. Mr. President, the Senator from North Dakota has not yet offered the amendment. I hope he will offer his first amendment now, so that we may dispose of it.

Mr. LANGER. Mr. President, at this time I offer the following amendment to the pending measure: On page 7, strike out lines 3 to 7, inclusive, and substitute the following:

While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties except in the agency or for training or for reorientation for work; and the time of such work or duty shall not be counted as leave.

Mr. TYDINGS. Mr. President, I accept it, with the understanding that I will take the Senator's amendment to conference, if it is adopted, for further consideration, but that I do not feel bound to insist upon it if in the light of further consideration I feel that we cannot take it; but I accept it in good faith, and will attempt to see that it is given every consideration in line with the Senator's philosophy.

Mr. LANGER. Again, Mr. President, let me say that I am very grateful to the Senator from Maryland.

Mr. TYDINGS. Mr. President, I ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, let me inquire about the other amendment the Senator from North Dakota has in mind.

Mr. LANGER. I have in mind an amendment to section 8, on page 12. I would offer an amendment to it.

Mr. TYDINGS. I am afraid I cannot accede to that.

Mr. LANGER. I was going to suggest that somewhere in that provision we could insert the safeguards which Mr. Celler requested, perhaps included the words "shall be provided by the Bureau of Immigration."

Mr. TYDINGS. Of course, that comes under the Attorney General. The Bureau of Immigration is under the Attorney General's Office under the new Reorganization Act.

Mr. LANGER. That is correct.

Mr. TYDINGS. If the Senator from North Dakota would like me to add: Whenever the Director and the Attorney General or the head of the Bureau of Immigration.

I would be inclined to go that far, in order that the Immigration authorities might be put directly on notice.

Mr. LANGER. Does the Senator from Maryland mind changing that to read "or under rules and regulations provided by the Bureau of Immigration"?

Mr. TYDINGS. I do not think that could be done, for the considerations involved would be so divergent.

But I think the Bureau of Immigration would not admit a man unless the Director and the Bureau of Intelligence dem-

onstrated that it was rather imperative that he be permitted to come in.

Mr. LANGER. Perhaps so.

Mr. TYDINGS. Mr. President, on behalf of this compromise arrangement, I ask that we consider an amendment, as coming from the Senator from North Dakota, as follows:

"Strike out the first two lines of section 8, on page 12, as they now appear, and insert 'Whenever the Director, the Attorney General, and the Commissioner of the Immigration Service shall determine that the entry of a particular alien into the United States,' and so forth. What the amendment does is simply to add the Commissioner of the Immigration Service. The Senator from North Dakota wants to make sure that the immigration authorities are apprized directly of the action that is proposed to be taken.

Mr. LANGER. And, I may say, would know who the alien is, and would make a record.

Mr. TYDINGS. I would accept that amendment if the Senator will offer it now, and ask for a vote.

Mr. LANGER. I offer the following amendment: On page 12, strike out line 17, and in line 18 strike out the word "General", so as to make it read:

Whenever the Director—

Mr. TYDINGS. "And the Attorney General."

Mr. LANGER. "And the Attorney General"

Mr. TYDINGS. "Or the Commissioner of Immigration."

Mr. LANGER. "Or the Commissioner of Immigration shall determine."

Mr. TYDINGS. I want the Senator from North Dakota to understand that in accepting the amendment and taking it to conference, he realizes I have not had the chance to give it all the thought that ought to go into any change, but I am accepting it in good faith. We will consider it in conference, but if it does not come back in the bill, I hope the Senator will not charge me with failure to carry out any agreement.

Mr. LANGER. The Senator from Maryland is the last person in the world I would charge with failure to carry out an agreement.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

Mr. JOHNSON of Colorado. Mr. President, just a moment. The Senator from Maryland read the amendment one way, and then it is being changed, and a very serious change is being made.

Mr. TYDINGS. I read it "or."

Mr. JOHNSON of Colorado. Yes. "Or" is a far different word from "and." It will not mean anything if the word "or" is used. There would be no change in it whatever, if it is amended to read "or."

The PRESIDING OFFICER. The clerk will state the amendment again for the information of the Senate.

The LEGISLATIVE CLERK. On page 12, in line 17, it is proposed to strike out the word "and" and insert a comma; and in line 18, after the word "General," it is

proposed to insert the words "or the Commissioner of Immigration."

Mr. TYDINGS. I ask that the word "or" be stricken out preceding "the Commissioner of Immigration," and the word "and" inserted.

The PRESIDING OFFICER. The clerk will restate the amendment, as modified.

The LEGISLATIVE CLERK. On page 12, in line 17, it is proposed to strike out the word "and" and insert a comma; and in line 18, after the word "General," it is proposed to insert the words "and the Commissioner of Immigration."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota [Mr. LANGER], as modified.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, I hope we can now have the bill passed.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

Mr. JOHNSON of Colorado. Mr. President—

Mr. TYDINGS. Mr. President, I do not think the Senator from North Dakota desires to bring up any other matters. These are the only two matters he discussed. The Senator has left the floor. I shall keep talking for a minute or two if I have the floor, until the Senator can be contacted and asked whether he has any other matters he wants to bring up.

Mr. JOHNSON of Colorado. If the Senator does not mind, and if he has nothing else he wants to say, I shall be glad to speak for a minute or two, because I have a few thoughts to express.

Mr. TYDINGS. I shall be delighted to yield. I was only making a suggestion, so we would not take advantage of the absence of the Senator from North Dakota, in the event he had not finished.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado.

Mr. JOHNSON of Colorado. I wished to propound a question to the Senator from North Dakota, and I hope the Senator from Maryland will remain.

Mr. TYDINGS. I have not had luncheon yet. If it is going to take long, I think I should like to get a sandwich.

Mr. JOHNSON of Colorado. I am not going to talk very long. I assure the Senator I shall be very brief.

Mr. TYDINGS. I will remain.

Mr. JOHNSON of Colorado. I shall speak briefly, and I hope very much to the point. I trust the Senator will realize my anxiety about this legislation. I do not want to keep him from his luncheon, and I apologize to him for not having been here sooner, as I had intended to be, to hear his explanation and his argument on the bill, but I could not.

Mr. TYDINGS. I have just received word that, with the amendments adopted, the Senator from North Dakota has nothing more to say about the bill.

Mr. JOHNSON of Colorado. That is fine. I do not know whether I can join the Senator from North Dakota in approving the bill with these amendments or not, but I do want to make a brief statement. I regret very much that I have not heard the discussion on the

bill, but as I read the measure, it is very radical legislation. I do not know of any legislation passed by Congress which is so sweeping and which goes so far as this legislation does, except the legislation pertaining to atomic energy. I know I should feel a great deal better had the bill been referred to the Committee on the Judiciary and that committee had given attention to the sweeping provisions contained in the bill. Doubtless few Senators on the floor have the same fear of military fascism that I have; I doubt whether they have. I know that very few of us seem greatly concerned that 34 percent of all our taxes, all of our revenues, goes to the Pentagon Building. To me that is a very disturbing thing.

Perhaps I am entirely wrong; perhaps I do not comprehend the significance and effect of the pending legislation, but as I understand we are setting up in this country a military gestapo. I recall very well an argument made in this Chamber by the late Senator Norris, of Nebraska, away back in 1940. It impressed me deeply. He was arguing against the Congress of the United States setting up a gestapo in this country. I do not agree with what the Senator said in his references to the FBI, because I think the FBI has been a splendid organization, which has made a tremendous contribution to check crime and I should not want to do anything to curtail its operation. But I feel very certain that if Senator Norris were on the Senate floor today he would rise in his place to argue against the sweeping powers which are being vested in the military through this piece of legislation.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I am glad to yield.

Mr. TYDINGS. I may say to the Senator that I share every thought he has expressed about the inadvisability, the lack of necessity, and the unwarranted institution of any kind of gestapo, military or otherwise, in this country. The pending bill, as I said in my opening statement, has nothing to do with the internal affairs of the United States of America. All these men work outside the United States of America, and the bill so provides. They cannot work in the United States of America. Their functions are exclusively in foreign fields, and they are gathering, by close examination, information which it is deemed necessary for our country to have, as to where this or the other thing is going on, and as to what is taking place, so that we can make our plans accordingly. I am glad to reassure the Senator that our committee had the same thought he has so well expressed, and that there is nothing in the bill to permit internal military espionage in our country by agents constituted in the Military Establishment.

Mr. JOHNSON of Colorado. It is very comforting to have the Senator make that statement. I may say I did not know the bill was coming up today. I knew it was on the calendar, and I promised myself faithfully that when I could get to it I would make a study of it and try to understand what its purposes are

and what the effect of its language might be. But I have not had that opportunity. Perhaps it is all my own fault, and I regret it.

Mr. TYDINGS. I know the Senator is busy. I would say to the Senator from Colorado that the members of the Committee on Armed Services approached this proposition impelled by the same philosophy which the Senator from Colorado has expressed. We were perfectly willing to provide the Military Establishment with agents who would help in gathering pertinent military information in foreign fields. We were not willing to provide the military or any other establishment with agencies which would work in the United States in connection with our own people. There is nothing in this bill which touches the United States or is intended to touch the United States, except, of course, the headquarters are located here. The men must be told here what their missions are, and they must be given their instructions here, but the duties they perform are not performed in this country.

Mr. JOHNSON of Colorado. That reassures me completely.

Mr. TYDINGS. I know it does. Without that assurance, let me say that the Senator from Maryland would not be on this floor advocating the passage of the bill.

Mr. JOHNSON of Colorado. I have advocated for a long time that we develop our military information agencies so that we might better know what is going on all over the world. Of course, I would not want to do anything that would handicap in the slightest degree the agencies which we select to discover and to ferret out what is taking place all over the world. I realize the tremendous importance of counterespionage. The Senator's reassurance has completely satisfied me, and I shall vote in favor of his bill.

Mr. TYDINGS. I measured my words in making the statement. It is not our intention and it is not the intent of the language which we have adopted to make possible the things which the Senator has a right to fear in lieu of a closer examination. We have tried by testimony, by interrogation, and by the language of the bill to do exactly what the Senator wants done, and to stop right at the water's edge.

Mr. JOHNSON of Colorado. The reason, then, that the bill has not been sent to the Committee on the Judiciary is because it would not affect in any way justice within the United States. Is that correct?

Mr. TYDINGS. That is correct. It has to do with purely military intelligence, and with no other kind of intelligence at all.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Tennessee.

Mr. McKELLAR. I want to ask the Senator from Maryland with reference to paragraph (a) of section 6, on page 10 of the bill. I read it:

(a) Transfer to and receive from other Government agencies such sums as may be approved by the Bureau of the Budget, for the performance of any of the functions or

activities authorized under sections 102 and 303 of the National Security Act of 1947 (Public Law 253, 80th Cong.), and any other Government agency is authorized to transfer to or receive from the Agency such sums without regard to any provisions of law limiting or prohibiting transfers between appropriations. Sums transferred to the Agency in accordance with this paragraph may be expended for the purposes and under the authority of this act without regard to limitations of appropriations from which transferred.

Mr. TYDINGS. Would the Senator like to have my explanation of that?

Mr. McKELLAR. I doubt the wisdom of that provision. The Committee on Appropriations appropriates specifically for every department of the Government. It has been found to work extraordinarily well. I am in favor of the bill; I am not opposed to it, but I think it would be safer and better—

Mr. TYDINGS. Would the Senator like me to tell him why that language is written into the bill?

Mr. McKELLAR. Yes, I would.

Mr. TYDINGS. If this were a normal function of the Government, like, for instance, building a bridge, or buying an airplane, or providing for reforestation, or for the construction of a dam, the Senator's observation would be a very good one. But let me tell the Senator that the men who work in this particular field frequently lose their lives. As a matter of fact, to the certain knowledge of the Senator from Maryland, several have already lost their lives, and not under very pretty circumstances, because, quite often, if they are deleted, they are forced to tell why they are there, and the picture is not a pretty one. If there are vouchers containing the names and the circumstances, going through Government channels, it might be possible for foreign-espionage agents to check on who the agents are through every conceivable source of information.

Therefore, if we should employ the same kind of accounting as would be employed in connection with building a bridge, strange as it may seem, expert men, skilled in detecting from little things the probabilities, are quite often able to detect who the agents are, and in that way they are tracked down and lose their lives. This is no ordinary bridge-building proposition. This is a matter of life and death, affecting men who are trying to do something to aid the security of our country and who take an enormous risk. The committee, after thorough consideration, determined that it would be better to have this general procedure followed in order to protect the men, rather than to follow the orthodox procedure, which might result in the loss of their lives. That is the reason why that language is in the bill.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TYDINGS. I shall yield as soon as I complete my answer to the Senator from Tennessee.

I appreciate the observation of the Senator from Tennessee. Normally, it would be a most outrageous thing to proceed in this manner, but I think we owe these men every possible protection we can possibly give them. Their work is not child's play; it is very, very serious

business. If we are to appropriate the necessary money, we have to do it in such a way as to "bring home the bacon," if we want our country to be secure, if we want to know how atomic energy is progressing in some other country, and what plants there may be.

I hate to discuss these matters on the floor, but there is no other way I can make the Senate have confidence in the bill than by discussing these things which I would rather not mention.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HENBRICKSON in the chair). Does the Senator from Maryland yield to the Senator from Nebraska?

Mr. WHERRY. Do I have the floor, or does the Senator from Maryland have the floor? I would much rather the Senator from Maryland had it, so I could ask him some questions. I ask unanimous consent that I may ask a question or two regarding section 7 of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TYDINGS. I shall be glad to answer the Senator's questions.

Mr. WHERRY. The section reads as follows:

SEC. 7. In the interests of the security of the foreign intelligence activities of the United States and in order further to implement the proviso of section 102 (d) (3) of the National Security Act of 1947 (Public Law 253, 80th Cong., 1st sess.) that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure, the Agency shall be exempted from the provisions of sections 1 and 2, chapter 795 of the act of August 28, 1935—

Here is the point—

and the provisions of any other law which require the publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the Agency: *Provided*, That in furtherance of this section, the Director of the Bureau of the Budget shall make no reports to the Congress in connection with the Agency under section 607, title VI, chapter 212, of the act of June 30, 1945.

Are we doing this now?

Mr. TYDINGS. Yes.

Mr. WHERRY. Then why is it necessary to have the legislation?

Mr. TYDINGS. I think it is a question whether or not the law is being winked at unless this bill is written into law. It is written now to effect a cure. It is a question as to whether we have the authority to act. In my opinion we have not the authority, but nobody is going to raise the question.

Mr. WHERRY. But we are actually doing what is provided for in the bill?

Mr. TYDINGS. Much of it.

Mr. WHERRY. Are we going to expand what we are now doing if we get additional authority?

Mr. TYDINGS. No.

Mr. WHERRY. The intention really is to implement what we intended to do under the skeleton act?

Mr. TYDINGS. The Senator has stated it exactly; the skeleton act was passed, and this clarifies that act.

Mr. WHERRY. In the committee report which the able chairman of the

Armed Services Committee has submitted to the Senate appears a comment on section 7, to be found on page 4, as follows:

Section 7 exempts the Agency from the provisions of 5 United States Code 654, which require publication of personnel data in the Official Register of the United States. Section 7 also exempts the Bureau of the Budget from including in its public report to the Congress the Agency's personnel strength.

Does the section do any more than that?

Mr. TYDINGS. No.

Mr. WHERRY. That is all that is done, if we adopt this section?

Mr. TYDINGS. I am going to say something which the Senator already knows, but for the record. Ours will perhaps be the only Government having a law providing for such an activity. Other governments simply appropriate a disguised sum of money, without any authority of law, to handle the whole matter through some government official. We are writing the whole law out. I regret we cannot proceed in any other way. If the Senate knew about the details, it might be willing to do as other countries do, but we do not do business that way. We are not doing what other countries do. We are throwing every possible democratic safeguard around it as we go along.

Mr. WHERRY. I want to be sure that the assertions made in the committee report state what we are doing when we adopt section 7, and that it is to exempt the agency from the provisions of law I have just mentioned.

Mr. TYDINGS. For national security only.

Mr. WHERRY. That is correct.

Mr. TYDINGS. I thank the Senator from Nebraska for his contribution.

Mr. WHERRY. I was a member of the Committee on Appropriations, with the distinguished Senator from Maryland, when we were asked for a huge appropriation for a purpose with which we were not familiar.

Mr. TYDINGS. A billion dollars.

Mr. WHERRY. Yes. It took much faith on my part, as one charged with a part of the responsibility of making appropriations, to agree to that. A billion dollars is a great deal of money. Yet we were told that it was in the interest of national security, and we asked no questions. Afterward, of course, we discovered that it was for the purpose of developing the atomic bomb.

Mr. TYDINGS. This is in the same category.

Mr. WHERRY. We are now extending the authority, and I wanted to have it made indubitably certain that section 7, which to me is the meat of the bill, is included for the purposes outlined in the committee report, and does not extend beyond that.

Mr. TYDINGS. In measured words, I can answer the Senator in the affirmative.

The PRESIDING OFFICER. The bill is still open to amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 2663) was read the third time and passed.

RECIPROCAL TRADE AGREEMENT POLICY

Mr. MALONE. Mr. President, when the 1934 Trade Agreements Act comes before the Senate for the proposed 3-year extension, I intend to offer the flexible import-fee bill, which I am today placing before this body as a substitute policy. I ask unanimous consent to introduce the flexible import-fee bill, and to have it printed in the body of the RECORD. The flexible import-fee principle establishes a clear-cut American policy which would provide a definite basis for cooperation among the nations of the world and a definite market for foreign goods in this country.

THE THREE-PART "FREE TRADE" PROGRAM

As a result of the administration's three-part "free trade" program, under which we are openly encouraging a large increase in imports from the European countries and urging them to become self-sufficient within and among themselves and to manipulate the price of their currency for trade advantage—many believe that this Nation is heading into a serious depression.

FREE TRADE AND UNEMPLOYMENT

It is reported that there are more than 4,000,000 unemployed at this time and probably in excess of 10,000,000 partially unemployed in this country due principally to actual and threatened imports of products from the low-wage standard of living European and Asiatic nations.

DEFINITE MARKET FOR FOREIGN GOODS

Under the proposal of the flexible import fee adjustment of rates, a definite market basis is established in the United States for the goods of all foreign nations, but they are the judges of their own living standards. However, under such a provision they would be encouraged to raise their wage living standards because they would immediately get credit by a corresponding reduction in the tariff or import fee, and when their standards of living approximated our own, then the objective of free trade would be an almost automatic and immediate result. But in the meantime, our wage standard of living would be protected.

FLEXIBLE IMPORT FEE VERSUS "FREE TRADE"

This principle is in direct contrast to the free trade program of the State Department, and all subterfuge, including a manipulation of their currency values and selling under actual costs by such foreign governments to crowd another nation's products out of the foreign markets, including our own—as evidenced by a New York Times dispatch dated May 21 of this year—will be automatically stopped by the adoption of the flexible import fee principle.

Mr. President, I ask unanimous consent to have the dispatch printed in the body of the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

TRADE LAG STUDIED FROM ECA NATIONS—GOVERNMENT SEEKS TO LEARN WHY FLOW FROM SUCH AREAS IS NOT UP TO EXPECTATIONS—TEN BILLION SEEN POSSIBLE—WOULD MEAN THREE BILLION RISE OVER 1948, REDUCE TRADE GAP AND EASE DOLLAR SHORTAGE

Surveys under Government auspices are being quietly made in trade quarters here to ascertain why the volume of imports from European countries aided by the Economic Cooperation Administration is not larger, it was learned here yesterday.

During the past week, field surveys have been made here by a team of keymen, in which the views and experiences of active importers were sought in a wide variety of lines.

Nothing was divulged as to the information or conclusions reached during the course of the surveys, other than that the data would be of assistance in coordinating the work of official agencies.

SCOPE OF FIELD WORK

The scope of the field work was indicated in scheduled contacts with importers of woollens, linens, laces, rayon and staple fiber, cottons, floor coverings, embroidery, metal products, needles, automobiles, leather goods, chinaware, department store goods, motorcycles, ball bearings, machinery, silverware, and foodstuffs. In all, some 40 different import lines from varied countries were canvassed, it is understood.

While no official statement is likely until the reports based on the surveys are made, if then, it is an open secret that Government agencies are anxious to spur imports by the United States as a major means of strengthening world economic recovery and curbing the dollar shortage and trade deficits abroad.

Import barriers ranging from antiquated customs procedure to excessively high prices abroad in the face of a declining price trend here have been cited as the major obstacles to the larger import volume that is felt necessary to reduce the export "gap," which exceeded \$5,000,000,000 last year.

Foreign trade experts have calculated that if business conditions and national income continue favorable here, the United States could absorb \$10,000,000,000 in imports from all parts of the world. This optimum figure, buttressed by American investment and tourist spending abroad, it is believed, would support and pay for a high level of American exports.

It compares with about \$7,000,000,000 in imports for 1948.

FIRST QUARTER IMPORTS

For the first quarter of 1949, imports were close to the 1948 level for the same period. Doubt appeared to be rising, however, that total imports in 1949 will materially exceed 1948 figures, with much depending on business conditions here.

High prices abroad have been stressed as probably the major factor tending to limit European imports. In the case of British goods, this was highlighted a few days ago by Sir Stafford Cripps, Britain's economic chief, who told a conference of editors in London that prices on export goods must be cut. Emphasizing again his position that no devaluation of sterling is contemplated, Sir Stafford noted consumer resistance on the part of American buyers who were hoping to get British goods at lower prices.

Prior to recent developments, Great Britain had set a goal of \$720,000,000 in exports to the United States and Canada for 1949. Sir Graham Cunningham has been named to head the drive, becoming head of a new department representing British industrial interests which will work closely with the Government's export promotion agencies.

1934 TRADE AGREEMENTS ACT

Mr. MALONE. Mr. President, it will be remembered that the Eightieth Congress extended the 1934 Trade Agreements Act for 1 year, timing it to come up at the same time as the second-year extension of the ECA or Marshall-plan appropriation and the proposed adoption of the International Trade Organization.

PERIL POINT

We added the provision to the Trade Agreements Act that the Tariff Commission must furnish the President what we called the peril point—that is, the tariff rate or import fee below which the production of the specific product under consideration would be endangered in this country—and where the floor under wages would be ineffective and would cause unemployment or a definite lowering of our standard of living.

PERIL POINT INEFFECTIVE

I am for the inclusion of the peril point—the danger point to employment and business as determined by the Tariff Commission in each case—at the same time feeling that it will have no practical effect except an opportunity for the President to emphasize his explanation to the Congress and to the public that naturally some sacrifices are necessary if we are to build a great foreign trade structure—the peril-point provision simply requires the President to advise Congress his reasons for disregarding the Tariff Commission's findings—there is nothing of a mandatory nature included in the provision.

UNDER FLEXIBLE IMPORT FEE, PERIL POINT BECOMES THE TARIFF

Under the proposed flexible import fee bill provisions, the peril point, as determined by the Tariff Commission as the danger point to employment and industry, would become the tariff or import fee.

FLEXIBLE IMPORT FEE POLICY NOT NEW

The flexible import fee policy is not new—the Sixty-seventh Congress in 1922 passed such an act which has been carried forward as section 336 of the present Tariff Act. Under the act, however, the President must initiate such changes, and rather than follow such procedure he has elected to proceed under the State Department's free-trade theory based upon the 1934 Trade Agreements Act.

My bill simply transfers the necessary action from the President to the Tariff Commission and simplifies the method of determining the peril point which would then become the tariff or import fee.

"RECIPROCAL TRADE"—A CATCHWORD TO SELL FREE TRADE

There is no such thing as the Reciprocal Trade Act—which the 1934 Trade Agreements Act is commonly called—the words "reciprocal trade" do not occur in the 1934 Trade Agreements Act—it is not reciprocal and that is not the effect produced by the selective free-trade policy which the State Department, under the guise of the act, has pursued based on the act. The Department's theory is that the more we divide our markets with the nations of the world the less their trade-balance deficits will be.

Reciprocal trade is simply a catch phrase to sell free trade to the American public—and they have done a fair job.

MANY CLOSING—TEXTILES BUSINESS FEELING PINCH

As a direct result of the 3-part free-trade program of the State Department and the administration—the mines are closing, the textiles are feeling the pinch, the precision instrument business and hundreds of other industries which have been supporting the employment and taxable property in this country are jittery—potential investors for new capital investment are nonexistent and a bad atmosphere exists generally throughout the business world.

TRADE AGREEMENTS IMPOSSIBLE

It is, of course, impossible to make trade agreements with any foreign nation that manipulates its currency, and they all do—since all they have to do in order to nullify their obligations under the agreement is to lower the price of the pound, franc, or guilder, or whatever they use for money. Such devaluation makes the entire agreement ineffectual.

MOST FAVORED NATION

The administration's policy in such trades also includes the most favored nation clause—multilateral agreements—the effect of which is to extend to every other nation the advantages given any specific nation in the agreement without such other nations making any concessions at all.

FOREIGN TRADE AUTHORITY

The reorganized Tariff Commission to be known as the Foreign Trade Authority, would prescribe import fees on foreign articles, so as to bring their selling price in the American market up to, and within, limits whereby the domestic article could compete. The only objective sought in this bill is to enable the American product to compete on a fair and reasonable basis with the foreign imported item. Under the bill, fair and reasonable competition is found to exist if the price of the imported item is a fair price and not substantially below the price at which the domestic product can be offered to the same class of consumers in the principal American markets.

FAIR AND REASONABLE PRICE

A fair price simply means a determination as to whether the selling price is a true commercial and economic price or an artificial price deliberately set by the foreign country for the purpose of capturing the American market by underselling the domestic product.

Various economic factors, such as devaluation of foreign currencies and sales at uneconomic prices to secure dollar credits are considerations which would be taken into account.

NEITHER HIGH NOR LOW, BUT A DIFFERENTIAL OF COST PRICE

One of the favorite State Department propaganda arguments is that the opponents of the trade-agreements program are high protective tariff advocates, and that they are afraid of competition. Under the flexible-import-fee principle there is no consideration of a

high or low tariff or import fee. The adoption of this principle will assure competition; it guarantees fair and reasonable competition between similar products of foreign and domestic origin. What this bill eliminates is permitting products of cheap foreign labor to be dumped into our markets and sell below our high-living standard of living costs of making the same item. Anyone who can advocate lowering tariffs without lowering wages, just does not understand pay rolls. The import fee is the floor under wages.

SUBSIDIES FOR TARIFFS

The administration's long-range program has been to substitute subsidies for the tariff and import fees, so that any product not supported by such subsidy is simply due for a severe cut or is on the way out.

Mr. President, at this point I introduce my bill to amend the Tariff Act of 1930, and for other purposes, and ask that it be printed in the RECORD, and for its appropriate reference.

The bill (S. 1965) to amend the Tariff Act of 1930, and for other purposes, introduced by Mr. MALONE, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage the importation into the United States of foreign goods and products in quantities sufficient to supply the needs of the United States economy;

(b) to foster and provide for the export of the products of American industry and agriculture in quantities sufficient to pay for the needed imports;

(c) to develop and promote a well-balanced, integrated, and diversified production within the United States so as to maintain a sound and prosperous national economy and a high level of wages and employment in industry and agriculture;

(d) to provide necessary flexibility of import duties thereby making possible appropriate adjustments in response to changing economic conditions;

(e) to assure the accomplishment of these objectives by returning to and maintaining hereafter in the United States the control over American import duties now subject to international agreements.

RESTATEMENT OF EXISTING IMPORT DUTIES

SEC. 2. Title I, paragraphs 1 to 1559, inclusive, of the Tariff Act of 1930 are hereby amended by repealing the classifications and rates therein contained and substituting therefor the classifications and rates obtaining and in effect on June 30, 1949, by reason of proclamations of the President under section 350 of the Tariff Act of 1930 or otherwise.

FORMATION OF FOREIGN TRADE AUTHORITY

SEC. 3. Title III, part II, section 330, of the Tariff Act of 1930 is hereby amended to read as follows:

"PART II—FOREIGN TRADE AUTHORITY

"SEC. 330. Organization of the Foreign Trade Authority.

"(a) Membership: The United States Tariff Commission shall be reorganized and reconstituted as the Foreign Trade Authority (hereinafter referred to as the 'Authority') to be composed of six directors to be hereafter appointed by the President by and with the advice and consent of the Senate. The origi-

nal directors of the Authority shall be the same persons now serving as Commissioners of the United States Tariff Commission, each such person to serve as a director of the Authority until the date when his term of office as a Commissioner of the United States Tariff Commission would have expired. Thereafter the term of office of any successor to any such director shall expire 6 years from the date of the expiration of the term for which his predecessor was appointed except that a director appointed to fill a vacancy occurring for any reason other than the expiration of a term as herein provided shall be appointed only for the remainder of the term which his predecessor would otherwise have served. Directors shall be eligible for appointment to succeed themselves if otherwise qualified therefor. No person shall be eligible for appointment as a director unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of tariff problems and efficiency in administering the provisions of this act. Not more than three of the directors shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable.

"(b) Chairman, Vice Chairman, and salary: The President shall annually designate one of the directors as Chairman and one as Vice Chairman of the Authority. The Vice Chairman shall act as Chairman in case of absence or disability of the Chairman. A majority of the directors in office shall constitute a quorum, but the Authority may function notwithstanding vacancies. Each director shall receive a salary of \$12,000 a year. No director shall actively engage in any business, vocation, or employment other than that of serving as a director."

APPOINTMENT OF SECRETARY

SEC. 4. Title III, part II, section 331 (a), of the Tariff Act of 1930 is hereby amended to read as follows:

"(a) Personnel: The Authority shall appoint a secretary who shall receive a salary of \$9,000 per year, and the Authority is hereby empowered to employ and fix the compensations of such special experts, examiners, clerks, and other employees of the Authority as it may find necessary for the proper performance of its duties."

ADMINISTRATION OF TRADE AGREEMENTS

SEC. 5. Title III, part II, of the Tariff Act of 1930 is amended by adding at the end of section 331 the following new section:

"SEC. 331A. Administration of trade agreements.

"(a) All powers vested in, delegated to, or otherwise properly exercisable by the President or any other officer or agency of the United States in respect to the foreign trade agreements entered into pursuant to section 350 of the Tariff Act of 1930 are hereby transferred to, and shall be exercisable by the Authority, including, but not limited to, the right to invoke the various escape clauses, reservations, and options therein contained, and to exercise on behalf of the United States any rights or privileges therein provided for the protection of the interests of the United States.

"(b) The Authority is hereby authorized and directed—

"(1) to terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign trade agreements entered into by the United States pursuant to section 350 of the Tariff Act of 1930;

"(2) to prescribe, upon termination of any foreign trade agreement, that the import duties established therein shall remain the same as existed prior to such termination, and such import duties shall not thereafter

be increased or reduced except in accordance with the Tariff Act of 1930, as amended by this act."

PERIODIC ADJUSTMENT OF IMPORT DUTIES

SEC. 6. Title III, part II, section 336, of the Tariff Act of 1930 is hereby amended to read as follows:

"Sec. 336. Periodic adjustment of import duties.

"(a) The Authority is authorized and directed, from time to time, and subject to the limitations hereinafter provided, to prescribe and establish import duties which will, within equitable limits, provide for fair and reasonable competition between domestic articles and like or similar foreign articles in the principal market or markets of the United States. A foreign article shall be considered as providing fair and reasonable competition to United States producers of a like or similar article if the Authority finds as a fact that the landed duty paid price of the foreign article in the principal market or markets in the United States is a fair price, including a reasonable profit to the importers, and is not substantially below the price, including a reasonable profit for the domestic producers, at which the like or similar domestic articles can be offered to consumers of the same class by the domestic industry in the principal market or markets in the United States.

"(b) In determining whether the landed duty paid price of a foreign article, including a fair profit for the importers, is, and may continue to be, a fair price under subdivision (a) of this section, the Authority shall take into consideration, insofar as it finds it practicable—

"(1) The lowest, highest, average, and median landed duty paid price of the article from foreign countries offering substantial competition;

"(2) Any change that may occur or may reasonably be expected in the exchange rates of foreign countries either by reason of devaluation or because of a serious unbalance of international payments;

"(3) The policy of foreign countries designed substantially to increase exports to the United States by selling at unreasonably low and uneconomic prices to secure additional dollar credits;

"(4) Increases or decreases of domestic production and of imports on the basis of both unit volume of articles produced and articles imported, and the respective percentages of each;

"(5) The actual and potential future ratio of volume and value of imports to volume and value of production, respectively;

"(6) The probable extent and duration of changes in production costs and practices;

"(7) The degree to which normal cost relationships may be affected by grants, subsidies, excises, export taxes, or other taxes, or otherwise, in the country of origin; and any other factors either in the United States or in other countries which appear likely to affect production costs and competitive relationships.

"(c) Decreases or increases in import duties designed to provide for fair and reasonable competition between foreign and domestic articles may be made by the Authority either upon its own motion or upon application of any person or group showing adequate and proper interest in the import duties in question: *Provided, however*, That no change in any import duty shall be ordered by the Authority until after it shall have first conducted a full investigation and presented tentative proposals followed by a public hearing at which interested parties have an opportunity to be heard.

"(d) The Authority, in setting import duties so as to establish fair and reasonable competition as herein provided, may, in order to effectuate the purposes of this act, prescribe specific duties or ad valorem rates

of duty upon the foreign value or export value as defined in sections 402 (c) and 402 (d) of the Tariff Act of 1930 or upon the United States value as defined in section 402 (e) of said act.

"(e) In order to carry out the purposes of this act, the Authority is authorized to transfer any article from the dutiable list to the free list, or from the free list to the dutiable list.

"(f) Any increase or decrease in import duties ordered by the Authority shall become effective 90 days after such order is announced: *Provided*, That any such order is first submitted to Congress by the Authority and is not disapproved, in whole or in part, by concurrent resolution of Congress within 60 days thereafter.

"(g) No order shall be announced by the Authority under this section which increases existing import duties on foreign articles if the Authority finds as a fact that the domestic industry operates, or the domestic article is produced, in a wasteful, inefficient, or extravagant manner.

"(h) The Authority, in the manner provided for in subdivisions (c) and (f) in this section, may impose quantitative limits on the importation of any foreign article, in such amounts, and for such periods, as it finds necessary in order to effectuate the purposes of this act: *Provided, however*, That no such quantitative limit shall be imposed contrary to the provisions of any foreign trade agreement in effect pursuant to section 350 of the Tariff Act of 1930.

"(i) For the purpose of this section—

"(1) the term 'domestic article' means an article wholly or in part the growth or product of the United States; and the term 'foreign article' means an article wholly or in part the growth or product of a foreign country;

"(2) the term 'United States' includes the several States and Territories and the District of Columbia;

"(3) the term 'foreign country' means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions);

"(4) the term 'landed duty paid price' means the price of any foreign article after payment of the applicable customs or import duties and other necessary charges, as represented by the acquisition cost to an importing consumer, dealer, retailer, or manufacturer, or the offering price to a consumer, dealer, retailer, or manufacturer, if imported by an agent.

"(j) The Authority is authorized to make all needful rules and regulations for carrying out its functions under the provisions of this section.

"(k) The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles with respect to which a change in basis of value has been made under the provisions of subdivision (d) of this section, and for the form of invoice required at time of entry."

AMENDMENT OF SECTION 337

SEC. 7. Title III, part II, section 337, of the Tariff Act of 1930 is hereby amended as follows:

(a) Subdivision (a) thereof by striking out the word "President" and substituting therefor the word "Authority."

(b) Subdivision (b) thereof is hereby repealed.

(c) Subdivision (d) thereof is hereby repealed.

(d) Subdivision (e) thereof is hereby amended to read as follows:

"(e) Exclusion of articles from entry: Whenever the existence of any such unfair method or act shall be established to the satisfaction of the authority, it shall direct that the articles concerned in such unfair methods

or acts, imported by any person violating the provisions of this act, shall be excluded from entry into the United States, and upon information of such action by the Authority, the Secretary of the Treasury shall, through the proper officers, refuse such entry."

(e) Subdivision (f) thereof is hereby amended to read as follows:

"(f) Entry under bond: Whenever the Authority has reason to believe that any article is offered or sought to be offered for entry into the United States in violation of this section, but has not information sufficient to satisfy it thereof, the Secretary of the Treasury shall, upon its request in writing, forbid entry thereof until such investigation as the Authority may deem necessary shall be completed; except that such articles shall be entitled to entry under bond prescribed by the Secretary of the Treasury."

(f) Subdivision (g) thereof is hereby amended to read as follows:

"(g) Continuance of exclusion: Any refusal of entry under this section shall continue in effect until the Authority shall find and advise the Secretary of the Treasury that the conditions which led to such refusal of entry no longer exist."

CONTINUANCE OF PERSONNEL, FUNDS, ACTIONS, ETC.

SEC. 8. Section 339 of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 339. Effect of enactment.

"(a) All personnel, property, records, balance of appropriations, allocations, and other funds available (or to be made available) to the United States Tariff Commission shall be transferred to the Authority for use in connection with the exercise of its functions; and such transfer shall not operate to change the status of the officers and employees transferred from the Commission to the Authority. No investigation or other proceeding pending before the Commission at such time shall abate by reason of such transfer but shall continue under the provisions of this act.

"(b) Wherever in the Tariff Act of 1930, or in any other law, the terms 'United States Tariff Commission' or 'Commission' occur, such terms shall be construed to mean the 'Foreign Trade Authority' and the 'Authority', respectively."

REAPPLICATION OF SECTION 516 (B)

SEC. 9. Section 17 subsection (c), of the act of June 25, 1938, chapter 679, is hereby repealed.

STATISTICAL ENUMERATION

SEC. 10. Title IV, part III, section 484 (e), of the Tariff Act of 1930 is hereby amended to read as follows:

"(e) Statistical enumeration: The Chairman of the Foreign Trade Authority is authorized and directed to establish from time to time, after consultation with the Secretary of the Treasury and the Secretary of Commerce, a statistical enumeration of imported articles in such detail as he may consider necessary and desirable to effectuate the purposes of this act. As a part of each entry there shall be attached thereto or included therein an accurate statement giving details required for such statistical enumeration. The Secretary of Commerce is hereby authorized and directed to make such reasonable and proper digests from, and compilations of, such statistical data as the Chairman requests. In the event of a disagreement between the Chairman and the Secretary of Commerce, as to the reasonable and proper nature of any request the matter shall be referred to the President whose decision shall be final."

REVISED TEXT OF TARIFF ACT

SEC. 11. The Authority, as soon as practicable, shall prepare and cause to be printed as a public document available for public distribution a complete revised text of the Tariff Act of 1930 as amended.

EFFECTIVE DATE

SEC. 12. This act shall take effect as of June 30, 1949.

WORLD ECONOMIC SOCIALISM

Mr. MALONE. The State Department plan—including the three-part free-trade program—adds up to world economic socialism—world economic socialism as evidenced by a statement by an Assistant Secretary of State emphasizing the program.

THORPE—THREE-PART FREE-TRADE STATEMENT

Willard H. Thorpe, Assistant Secretary of State, testified before the Senate Finance Committee for the extension of the 1934 Trade Agreements Act, on January 24 of this year when he said that:

1. The trade agreements program is an integral part of our over-all program for world economic recovery.
2. The European recovery program (Marshall plan) extends immediate assistance on a short-term basis to put the European countries back on their feet.
3. The International Trade Organization upon which Congress will soon be asked to take favorable action provides a long-term mechanism by which all countries' commercial policies, in the broadest sense of the terms, may be tested and guided into conformity with a pattern which will maximize trade and minimize friction arising out of expectations.

Mr. President, if anyone can understand that particular phrase he will have to have a State Department education. Quoting from Mr. Thorpe again:

Each contributes to an effective and consistent whole.

That is the reason, Mr. President, I have tied the three-part program together several times on the Senate floor. It is only recently that the State Department has admitted it in a statement in so many words.

It is evident from the State Department's spokesman that no one part of this three-part program can be considered separately, but must be viewed together to understand the objectives of the administration which is a division of the markets of this Nation with the nations of the world—and bringing the wage-living standard of American workmen down to the level of the low cost of living standard of European and Asiatic labor.

OLD-WORLD NATIONS OUTTRADE US

The Old World—the European Marshall-plan nations—is more adept at manipulations of the factors affecting international trade than this Nation can possibly be. They have competed with each other and with other parts of the world for such trade for more than a thousand years—starting in the days of the buccaners and the pirates—our merchant ships were simply captured and confiscated wherever found and towed into port. Later the colonial system was established by the empire-minded nations and the system of empire preferential rates was established.

EMPIRE PREFERENTIAL RATES

Empire preferential rates, Mr. President, simply means that under the colonial system the raw materials come to the mother country through the influence of such rates, and then the same

principle as utilized in selling the manufactured product back to the colonial possession.

The first—that is, the buccaneer system—of course, became outlawed in the natural course of events, and the second has begun to wear thin, due to the impossibility of the empire-minded nations protecting and keeping the colonies permanently subdued.

They have now arrived at the three-part free-trade system, which includes, first, the making up of the trade-balance deficits of each of the European nations in cash, where our chief export is cash; second, the 1934 Trade Agreements Act, under which the State Department has adopted a selective free-trade theory on the basis that the more they divide our markets with the nations of the world, the less their trade-balance deficits; and, third, the international trade program—with 58 nations having 58 votes—we would have the same vote as Siam, the smallest nation, to which each nation would assign its tariff and import fee-making power, and they would meet once each year and divide the production in the markets of the world eventually on the basis of population. This is the modern way of gaining trade advantage.

ECONOMIC PITFALLS

To visualize some of the economic pitfalls when we enter the field of economic diplomacy, I asked unanimous consent to have printed in the RECORD at this point an article by Joseph E. Evans, appearing in the Wall Street Journal on May 26, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESSURE ON BRITAIN—IT MOUNTS FROM INSIDE AND OUT; STERLING DEVALUATION WOULD POSTPONE BUT NOT PREVENT AN EXPLOSION
(By Joseph E. Evans)

Something has got to give. That describes Britain's economic situation today.

So much pressure is building from so many directions that an explosion is inevitable. Whether the blow-up will occur in the Labor government's inflated view of the pound, the government's inflated view of the worth of British exports or even in the Labor government itself is a matter of opinion. The plain fact is that Britain cannot go on as it is.

The way it is going is the way to economic collapse. Perhaps not collapse with a bang, but a slow leak can deflate a tire as well as a puncture.

Here is some of the mural handwriting: Britain's foreign trade has slumped all over. Its trade deficit with dollar countries, spectacularly cut last year, has been increasing all this year. Its general trade deficit more than doubled last month. There is no reason to suppose these conditions will improve.

While Britain grows poorer, its powerful trade unions are demanding to be made richer. They want higher real wages in addition to government health services and subsidies on food and housing. Despite Chancellor of the Exchequer Sir Stafford Cripps' specific assertion to the contrary, they are convinced they can have their cake and eat it too.

The pressure is not only internal; it is also external. International Monetary Fund, Economic Cooperation Administration and United States Treasury officials are believed to favor general readjustment of European exchange rates, including that of the pound.

The expectation of sterling devaluation is becoming so general that a New York distributor of British woollens has already announced he will protect his customers against devaluation up to the end of this year. British officials, of course, refuse to admit the possibility; as recently as last week Cripps said there could be no question of devaluation.

STERLING BALANCES ACCUMULATE

But the heaviest artillery trained on British monetary policy is mounted on the continent. Britain's partners in the Organization for European Economic Cooperation, which was set up to unite the recovery of Marshall plan recipients, complain that overvaluation of the pound prevents them from importing from Britain, while as a result of their exports to the sterling area they accumulate quantities of sterling which they cannot use. When the continent's trade with so large an area as the sterling zone is hit, the continent is in trouble.

The effect of this is further to choke not only trade with Britain but trade all over western Europe. That trade is anyway at such low ebb the OEEC hopes to increase it by the end of the Marshall plan only to the levels of 1938, although there has been a population increase of approximately 9 percent since then.

The OEEC is currently trying to unshackle the web of exchange controls, import restrictions, tariff and preference barriers and discriminatory practices which is hog-tieing trade among member countries. If they do not openly say so, the continental nations strongly imply that British policy is to a large extent responsible for the maintenance of these restrictions.

This is what happens. Italy, which has some \$30,000,000 in sterling kicking around, will not buy from Britain because it says it can't get what it wants there; anyway it thinks the pound is priced too high and therefore it won't get its money's worth. Italy could use its idle sterling to buy from other countries but says other countries don't want to sell their goods at the British-fixed rate of 2,317 lire to the pound.

Multiplying that situation a few times produces an inevitable sum; strangulation of trade. Furthermore, the accumulation of sterling balances in other countries makes Britain trade increasingly by means of bilateral arrangements—when neither goods nor money can move freely, trade is reduced to a you-scratch-my-back-and-I'll-scratch-yours basis. Trade is thereby still further restricted.

Last year the OEEC set up a so-called intra-European payments plan, which it was hoped would cut away some of the restrictions, help stabilize currencies and thus stimulate trade. A special fund of ECA conditional dollars was established from which nations could draw in proportion as they extended credits, or drawing rights, in their own currencies to other countries.

But the countries didn't draw much. Italy used none of the \$27,000,000 allotted her, very probably because \$25,000,000 of it was in sterling. The trizone of Germany, entitled to \$114,000,000, used less than \$25,000,000.

RESORT TO BILATERAL DEALINGS

The payments plan actually encouraged bilateralism, because it fixed the amount of credits each OEEC member should give or receive from every other member. It offered no incentive to reducing dollar needs either by pushing exports to America or by reducing imports from America. And it forced trade into lines of rigid national planning.

This scheme expires the end of next month. The OEEC is frantically trying to devise something better. There is talk, among other ideas, of extending the drawing

rights to achieve a greater degree of multilateralism—that is, normal free trade. But until the British knot is untangled any such efforts are doomed to be palliatives. The continental countries seem determined that the British knot shall be untangled.

With so much emphasis on the overvaluation of the pound, the solution would seem simply to devalue it. And that would be at least a temporary help. But it would not be a cure. It would not be a cure because the labor government probably would not devalue enough. If it devalued the pound to a realistic rate it would be cutting its own political throat.

What would happen? Exports would go up, but what Britain bought for dollars would be costlier. At home, food would be more expensive; if the Government didn't raise prices, it would have to take more out of the taxpayer's pocket to subsidize food. Either way the clamor for wage increases which the Government couldn't grant could well be enough to unseat the Labor Party.

But devaluation would not be a cure for the more important reason that it does not go to the root of the evil. The root is rigid economic control, of which currency overvaluation is a branch. But the British Labor Government will not cut out the root because it would then cease to be a labor—that is, a Socialist—government.

What the labor government, feeling this combination of pressures, may do is order a token devaluation of the pound. The pressure would be somewhat eased thereby, and the whole picture of the European recovery program made clearer, but it would not be a fundamental solution. The labor government might postpone but it would not avert economic crisis.

It is just possible that the forces exerting the present pressure on Britain will, like the pagan gods of old, reject such an inadequate offering. In that case, is difficult to see how the labor government could avoid its fate.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. LANGER. I did not quite understand who the man was who wrote this article.

Mr. MALONE. His name is Evans. He is a special writer. It so happens that Mr. Evans, whom I do not know, outlined almost perfectly, and much better than I could have done it, the intricacies and the many factors of international finance and the finagling for trade advantage in the manipulation of the price of the currencies of the various nations of the world, and the matter of certain foreign nations taking a loss in order to capture the market in this or another country, about which the United States representatives seem to be entirely ignorant.

Mr. LANGER. I thank the Senator.

AN AMERICAN POLICY

Mr. MALONE. The alternative to all this finagling through the manipulation of their currencies by foreign nations for trade advantage and financing a part of the cost of a product to take the market in our country, is simply to establish an American policy which will maintain our standard of living while we are assisting to the best of our ability other nations of the world to raise their own. It would then be in their interest to conform and cooperate and would result in raising their own living standards.

FLEXIBLE IMPORT FEE—MEET CHANGING ECONOMICS

In other words, if we have a definite, flexible import fee that would represent at all times the differential in cost as between the foreign product delivered in this country and our own production costs with respect to each specific product. The import fee is flexible and can be adjusted by the foreign trade authority—now the Tariff Commission—to conform to the changes in the economics of nations which are of course in a continued state of flux in the same manner as our own economic system.

Such adjustments can be made by the authority to meet the manipulations of currency or any other factor utilized for trade advantage. Then, as other nations raise their standard of living, they will receive credit through a comparable lowering of the import fee and when their living approximates our own, free trade will be the immediate and automatic result. It will be to their interest to pay higher wages to their own people, rather than come in at our level of costs, and pay the difference into the United States Treasury.

IMPORT FEE DOES NOT PREVENT IMPORTS

Such an import fee does not prevent imports, but would bring the product in on our basis of costs. It would be a floor under wages, and a protection to the workingman of America, as well as to our economy.

Such is the legislative proposal which I have offered—called the flexible import fee—under which other nations would receive immediate credit, through a lowered import fee, for any advance in their standard of living. Of course, when they reach approximately the level of our living standard, free trade, which is the desirable objective, is almost the automatic and immediate result.

SENATOR ARTHUR CAPPER

In that connection I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article written by former Senator Capper and published in the Topeka Daily Capital, of Topeka, Kans., for May 23, 1949.

In this article former Senator Capper very ably explains why such a plan as is proposed by the State Department is impossible of operation. The flexible import fee is simply a floor under wages, and supports our wage and living standards, and is designed to maintain our high living standard while assisting other nations of the world to raise their own. No advantage would be gained by holding wages in the colonial possessions down.

NO ADVANTAGE TO HOLD LIVING STANDARD DOWN

Immediately it would become advantageous to other countries to raise wages to their own people and to raise the level of their economic system. At present it is to their advantage to make a 3-year agreement with the State Department and then lower the price of their currency so as to come below any agreement they may have made up to that time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAPPER QUESTIONS SOUNDNESS OF ALL THREE BIG WORLD ASSISTANCE PLANS

There is nothing reciprocal about the reciprocal trade agreements program, former Senator Arthur Capper said yesterday as he quoted Senator MALONE, an opponent of the plan. The complete text of the weekly Capper message heard over Station WIBW follows:

Sometime ago I received a letter from Senator GEORGE W. MALONE, of Nevada, about which I had intended to talk to you earlier. But other things kept coming up and our discussion of Senator MALONE's views of the so-called reciprocal trade agreements, the Marshall plan, and the proposed International Trade Organization has been delayed.

GEORGE W. MALONE, the Senator from Nevada, by the way, is a Kansan. He was born on a farm near Fredonia; played twilight baseball in southeast Kansas in the early years of this century. Then he went to the west coast, took an engineering course at the University of Nevada, went into the Army in 1917; has served as department commander and national vice commander of the American Legion. He is recognized as a leading engineer throughout the Mountain States. Kansas-born GEORGE MALONE is serving his first term in the Senate of the United States, is a Republican with considerable independence in his make-up.

Senator MALONE is opposed, strongly opposed to the so-called Reciprocal Trade Agreements Act. He was one of the few who was outspoken against the Marshall plan. And he is preparing to make a last-ditch fight against Senate ratification of the International Trade Organization treaty when that comes up.

Appearing before the Senate Finance Committee recently, Senator MALONE informed that committee of his opposition to all three of these programs.

"The people of this Nation do not realize the deadly serious long-range effect on the workers, farmers, merchants, manufacturers, and industrialists," Senator MALONE declared, "of the permanent free-trade plan of the economic one-worlders included in this three-phase program, of which the 1934 Trade Agreements Act is but one part."

At this point I should explain that the Eightieth Congress renewed the Trade Agreements Act for 1 year, but included a provision requiring a report from the Tariff Commission as to the effect of any proposed reduction in tariff rates before these should go into effect. The administration is now asking a 3-year extension, without the protective tariff commission provision.

Now we'll go back to Senator MALONE. He insists there is nothing reciprocal about the so-called reciprocal trade-agreements program. And I believe he is correct. Under this program the American farmer was sold down the river in the thirties. I called attention to this at the time. The outbreak of World War II created a temporary and highly artificial market for American farm products, or this would have been recognized as a fact years ago.

The question of high- or low-import fees, or tariffs, is not the main issue, according to GEORGE MALONE. Instead, the question is whether the difference in cost of production of an article here and abroad is to be taken into account in fixing import fee, or tariff. I am taking it for granted you know that in the United States a high-wage standard of living prevails. Most of the rest of the world lives, exists on a low-wage standard of living.

"The difference in production costs is mostly due to the difference in wage or labor costs," Senator MALONE explained. "Especially since our up-to-date machinery and technical know-how, including the assembly-line methods, are immediately available to

these low-wage countries." Senator MALONE then made the flat charge, and there is a lot of truth in it as I see the picture.

"The three-part program currently advocated by the State Department is designed to undermine the basic economic structure of this country," Senator MALONE charges. "It has the objective of dividing our markets and leveling our living standards to the low-wage living standards of the Asiatic and European nations."

While I would not go quite so far as to say the program is designed to do just that, I will say I thoroughly agree with Senator MALONE that will be the end result.

The three parts of the program, MALONE says, are these:

First, appropriations to make up the trade-balance deficits of the European nations in cash each year, currently labeled the Marshall plan. Our chief export is cash.

Second, extend the selective free trade principle adopted by the State Department through a 3-year extension of the 1934 Trade Agreements Act.

Third, adoption of the International Trade Organization (ITO)—58 nations with 58 votes—each with 1 vote. The ITO will meet each year to distribute among themselves the remaining production and markets of the world.

It is impossible to discuss one of these parts without bringing in the other two, says MALONE, because they belong together.

"The ultimate objective," MALONE charges, "is to level our living standards with the rest of the world. Of course this is done with the announced objective of raising the standard of living of the remainder of the world by dividing our markets with them."

I believe Alf Landon raised the same point in the earliest discussions of the Marshall program. After we have supplied Europe with up-to-date machinery (paid for largely by us) and given them the know-how to operate it, then what will we do when their products start flooding our own markets and displacing our own manufacturers in our own markets?

I do not believe myself, my friends, that we can laugh off the answer to this question. Right now, except for a few lines such as watches and clothespins and such, Europe's industries are not sending us goods that undersell our own production in sufficient quantities to be noticeable. But they still are short in meeting their own needs.

But our British statesmen are making no bones about it. Whenever the Marshall plan aid ceases flowing to Britain they expect our American markets to take enough of their British manufactured goods to more than make up the loss of Marshall plan funds.

"All this reminds me," comments Senator MALONE, "of someone trying to average the level of the water in a water glass and the city reservoir. You could empty the entire contents of the water glass into the city reservoir without much effect on the reservoir, but what it would do to your glass of water."

"I simply want to emphasize at this point," I still am quoting Senator MALONE, "that if this free-trade plan is to continue and the American worker is to be put in direct competition with the low-wage labor of the Asiatic and European nations and the South Sea—"

"Then there is nothing that can happen to us except a definite lowering of our high-wage standard of living."

"It simply means that approximately 7 percent of the population of the world (our 150,000,000 people) is trying to raise the standard of living of the 93 percent (more than 2,000,000,000 people) through a direct division of jobs with them."

I think I get Senator MALONE's point. In fact I believe I have expressed myself, not once but many times, the conclusion that 7 percent of the world's population cannot level off standards of living with 93 percent

except by greatly lowering our own standard of living without greatly lifting theirs.

Just a homely illustration, which I believe I have used before. Say that our people average a diet that measures out about 3,300 calories. The average of the rest of the world is 2,000 calories. If all were dumped into a common pool—equalized under a one-world arrangement of some sort—here is what would happen. The average would be 2,091 calories. In other words, to give the other peoples of the world an additional 91 calories each, our people would be cut down from 3,300 to 2,091 calories.

Maybe that is what ought to happen. But do you want it to happen to you?

I say there is food for a lot of real thought in the protest of Kansas-born Senator MALONE against the United States swallowing all three of these world-help proposals—trade agreements, Marshall plan, and International Trade Organization control of our foreign trade—without doing some serious thinking whether or not we can digest all three and ever look the same again.

This ITO business, I might add, has me greatly worried. It has been sold to many leaders and organizations, but so far as I can learn, without ever being explained. Except that it has a worthy, do-good objective, and is the best the State Department can suggest to attain that worthy, do-good objective.

As nearly as I can figure, once the Senate approves it as a treaty, the United States gives to some 57 or so other nations the authority to tell the United States how much and to whom it shall export goods; how much and from whom it shall import goods, and, in case our exports are larger than our imports, what steps we shall take in our own country and in our own economy, to balance our exports and imports. The decision of the governing council of ITO, and of the ITO assembly, will be made by majority vote—and we will have just one vote when the rolls are called.

Frankly, I do not have that much faith in human nature. Have you?

Mr. MALONE. Mr. President, if we extend the Reciprocal Trade Agreements Act for 3 years, I predict that within 60 to 90 days following the passage of the bill England, France, the Netherlands, and many other nations will substantially lower the price of their currency and come under any agreement they have made up to that date.

ORDER OF BUSINESS

Mr. WHERRY. Mr. President, the unfinished business is known as the reciprocal trade-agreements legislation.

The PRESIDING OFFICER. The Senator is correct.

Mr. WHERRY. May I ask the distinguished majority leader if it is not now the intention to bring up Calendar No. 284, Senate bill 1008, a bill to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual good-faith delivered-price systems and freight absorption practices. It was my impression several days ago that after the so-called unification bill was disposed of and the central intelligence bill was completed, the Senate might consider this bill.

I have a deep feeling that this is one of the most important pieces of legislation that will come before the Senate. One may classify legislation as major and minor if he so desires. In my opinion, this is one of the most important pieces of legislation, in whichever class one may place it, that will come before the Senate.

As I have told the distinguished majority leader on many occasions, I have received innumerable letters from small-business men all over the country demanding that the confusion which now exists in freight rates because of the Supreme Court decision be clarified. This situation applies to all classes of producers, in addition to cement and steel producers. Literally scores of producers and fabricators need to know where they stand, for at least a period, so that business can again be conducted in an orderly fashion.

I do not wish to make a speech at this time in favor of consideration of the bill. I point out that it is an important piece of legislation. I know that there are two sides to the question. As a rule all questions have two sides, and there will be some debate. I submit to the distinguished majority leader that I feel that if that measure were made the pending business, there is every hope that by Tuesday the bill would be in such shape that with very little debate on the following day we might be able to reach a determination one way or the other.

I would deeply appreciate it if the distinguished majority leader could see his way clear to make the bill to which I refer the pending business, displacing the unfinished business, which is the reciprocal trade-agreements legislation.

Mr. LUCAS. Mr. President, I know how interested the distinguished Senator from Nebraska has been in the so-called basing-point measure.

I also am aware of the interest of the senior Senator from Pennsylvania [Mr. MYERS], who is the author of the moratorium bill. Unfortunately, the distinguished Senator from Pennsylvania was called out of the city today. As a result of that situation, I deemed it not to be in the best interests of the basing-point bill to have it taken up now.

Furthermore, as the distinguished Senator from Nebraska knows, on yesterday at the close of the session we were discussing the basing-point bill, insofar as the future program of the Senate was concerned. It was understood at that time that the Senator from Pennsylvania, and the Senator from Wyoming [Mr. O'MAHONEY], were attempting to compose their differences as to that bill by means of some kind of an amendment to it. The Senator from Pennsylvania left word in my office that because the Senator from Wyoming was unusually busy with the handling of appropriations, it was impossible for them to get together and agree upon any amendments to the bill; and the Senator from Pennsylvania thought it would be best if perhaps we could take up the home-rule bill, and give them an opportunity, perhaps on Tuesday and Wednesday, to work out the difficulties in connection with the basing-point bill.

I can assure the distinguished Senator from Nebraska that, following the action of the Senate on the home-rule bill, we shall take up the basing-point bill; and the only reason I am asking that the home-rule bill be taken up now is in view of what seems to be a slight misunderstanding between the two able Senators

I have previously named, the Senator from Pennsylvania and the Senator from Wyoming.

Mr. WHERRY. Mr. President, in view of the statement of the Senator from Illinois that when the Senate completes its action on the home-rule bill the basing-point bill will be made the unfinished business—and, of course, I understand that, in making that statement, it is the intention of the Senator from Illinois that that be done, subject, of course, to the will of the Senate.

Mr. LUCAS. Yes; that is the intention.

Mr. WHERRY. If that is the situation, I wish to go on record as not desiring to interfere in any way with the program arranged by the majority. But my opinion is that the home-rule bill will take longer to handle than is anticipated. I am quite sure that if either the home-rule bill or the basing-point bill is made the unfinished business at the end of the session today, the Senate's action on it will not be completed before Wednesday.

So, again I submit to the distinguished Senator from Illinois, the majority leader, that the basing-point bill, which I am asking to have taken up now, is of much more importance, country-wide, than the home-rule bill, although in making that statement I am not saying anything in any way disparaging of the home-rule bill.

However, I wish to point out that—no doubt because I formerly was chairman of the Special Committee on Small Business, which since has been terminated—I am still receiving considerable numbers of letters in which action on the moratorium bill, the basing-point bill, is requested. It is clear that in the interest of business, the sooner the Senate takes up that bill, the better it will be.

Of course, if the Senator from Illinois is definitely of the opinion that the course he has suggested is the best way to expedite Senate action on the basing-point bill, I shall not press my request further. However, my opinion is that regardless of which bill is made the unfinished business at this time, we shall still go into Tuesday or Wednesday before action on either bill is completed.

So I hope that nothing which may be done by the Senate will result in causing Senate bill 1008, Calendar No. 284, not to receive the consideration which it must receive. I sincerely hope that the action of the Senate in regard to all other pieces of proposed legislation which I know the majority leader has already announced will be brought up for consideration by the Senate in the very immediate future, will not prevent Senate bill 1008 from receiving the consideration it must receive.

Mr. LUCAS. Mr. President, I am sure the able Senator from Nebraska will not object to having numerous small-business people and numerous large-business people throughout the country continue to write him letters for a few more days. I know that the distinguished Senator from Nebraska has the office personnel and office capacity to answer all such letters, and I am sure it will be good for him to receive a few more letters from

such people throughout the United States.

Mr. WHERRY. Does the Senator from Illinois mean that it will be good for me to keep up my contacts with such persons?

Mr. LUCAS. Yes; contacts with the "big fellows."

Mr. WHERRY. No; I have in mind the "little fellows."

Mr. LUCAS. Yes; I know the Senator from Nebraska will "stay with the little fellows," regardless.

But, Mr. President, under the circumstances, I feel that we should proceed to the consideration of the home-rule bill. After that bill is acted upon, I say to the Senator from Nebraska—of course, I cannot guarantee it, but I am almost positive of this—that we shall bring up the basing-point bill.

Mr. WHERRY. Very well. Of course the Senate itself must decide the matter, in the final analysis.

But if the Senator from Illinois says he will attempt to have the basing-point bill brought up, that suits me.

Mr. LANGER. Mr. President, I wish to assure the distinguished majority leader that, inasmuch as I have filed minority views on Senate bill 1008, I hope it will not be brought up in the Senate until the Senator from Wyoming can be present. He has been over the matter with me several times.

Mr. LUCAS. The Senator from North Dakota is referring to the basing-point bill, of course.

Mr. LANGER. Yes. I hope that bill will not be taken up by the Senate until the Senator from Wyoming is present.

HOME RULE FOR THE DISTRICT OF COLUMBIA

Mr. LUCAS. I am very happy to know that the Senator from North Dakota and I are together on this matter, at least this afternoon.

Mr. President, of course the unfinished business is the Reciprocal Trade Act extension bill, House bill 1211. I now ask unanimous consent that the Senate temporarily lay aside House bill 1211, and proceed to the consideration of Senate bill 1527, Calendar No. 250, a bill to provide for home rule and reorganization in the District of Columbia.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

Mr. JOHNSTON of South Carolina. I object.

The VICE PRESIDENT. Objection is heard.

Mr. LUCAS. Mr. President, I now move that the Senate proceed to the consideration of Senate bill 1527, Calendar No. 250.

The VICE PRESIDENT. Of course such a motion, if carried, will displace the measure which is now the unfinished business.

Mr. LUCAS. That is correct.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois.

Mr. RUSSELL. I suggest the absence of a quorum.

Mr. LUCAS. Mr. President, I join the Senator from Georgia in suggesting the absence of a quorum.

The VICE PRESIDENT. The absence of a quorum having been suggested, the Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Capehart	Holland	Millikin
Chapman	Ives	Neely
Chavez	Johnson, Colo.	O'Connor
Connally	Johnson, Tex.	Pepper
Cordon	Johnston, S. C.	Robertson
Donnell	Kefauver	Russell
Douglas	Kerr	Schoeppel
Downey	Knowland	Smith, Maine
Eastland	Langer	Sparkman
Eaton	Long	Stennis
Ellender	Lucas	Taft
Ferguson	McCarthy	Taylor
Flanders	McClellan	Thomas, Utah
Frear	McFarland	Thye
Gillette	McKellar	Tydings
Gurney	McMahon	Wherry
Hayden	Magnuson	Wiley
Hendrickson	Martin	Withers
Hill		Young

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the motion of the Senator from Illinois to proceed to the consideration of Calendar 250, Senate bill 1527, the District home-rule bill.

Mr. WHERRY. Mr. President, once again, before the motion goes to a vote, I desire to make my position clear. I had already asked the majority leader whether he could not see his way clear to make Calendar 284, Senate bill 1008, the unfinished business. He stated that the Senator in charge of the bill was out of town and would be out of town until Tuesday. My reply to the distinguished majority leader was, "It does not make any difference to me whether one bill is taken up or the other inasmuch as it seems the consideration of either one could not be completed today and would necessarily be carried over until next Tuesday, anyway." The distinguished majority leader said, "If that became the unfinished business, the Senator from Wyoming and the Senator from Pennsylvania might agree on certain amendments that would be offered, which would be acceptable to them." I did not object to the consideration of the home-rule bill, and I know the record will bear me out, but if it comes to a question of whether we should take up the home-rule bill or the basing-point bill, I much prefer to take up the basing-point bill, because I think it is important legislation. I am not going to ask any Senator to support my position in the matter, but I want the Vice President to know that even though I went along with the majority leader, and want to do so now, yet I feel that the basing-point bill should be made the unfinished business, if it comes to a choice between the two bills.

The VICE PRESIDENT. The motion cannot be made to substitute the basing-point bill for the District government bill.

Mr. WHERRY. I understand that. That is the reason I wanted to give my explanation, because, if it comes to a decision as to which of the two bills is to be taken up, I am in favor of taking up the basing-point bill.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois to proceed to the consideration of the so-called District government home-rule bill.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to invite

the attention of the Senate at this time to the fact that the bill is being called up without notice having been given. Several Senators who are now absent are very much interested in the bill. I know my colleague from South Carolina would like to be present when the bill is discussed. I object to having it brought up at this time, without the Senate's having had notice in advance.

Mr. LUCAS. Mr. President, let me say to the able Senator from South Carolina that there will be no vote upon the home rule bill or upon any amendment to it this afternoon. The Senator from Tennessee [Mr. KEFAUVER] is anxious to present his case in behalf of the bill, and perhaps other Senators will speak upon it, and we can make a start on home rule for the District of Columbia. It is nearly 3 o'clock in the afternoon, and the Senator from Illinois does not feel that the Senate should adjourn until Tuesday without starting to consider this bill.

Let me say to the distinguished Senator from Nebraska that we cannot take up the basing point bill in the absence of the Senator from Pennsylvania with whom I have an agreement not to take it up today. I think that bill will be considered following the home rule bill.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I hope the distinguished majority leader will not give the impression that the basing point bill will not be taken up soon. I understood, when I withdrew my objection to the consideration of the home rule bill—and I am certainly satisfied to go along with the program of the Senator from Illinois this afternoon—that the basing point bill would be the next one the majority leader would suggest be brought up. Of course, the Senate has to approve.

Mr. LUCAS. Obviously, the Senator from Nebraska is correct. I told him definitely, in the colloquy I had with him, that insofar as the Senator from Illinois was concerned, while he could not definitely guarantee it, the hope was that the basing point bill could be brought up in a short time. There are many Senators vitally interested in it. I know the Senator from Nebraska is interested in it. I hope it will be taken up following consideration of the home rule bill.

The VICE PRESIDENT. The question is on agreeing to the motion to proceed to the consideration of the home rule bill.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to state to the Senate that in looking over the calendar it seems to me there are many bills which are not so controversial as is this particular bill, and the Senate could consider some of them and dispose of them, without starting today consideration of the home-rule bill, which is so controversial that I do not think it is proper to start consideration of it on a Friday afternoon.

The VICE PRESIDENT. The question is on agreeing to the motion to consider the District of Columbia home-rule bill.

The motion was agreed to; and the Senate proceeded to consider the bill

(S. 1527) to provide for home rule and reorganization in the District of Columbia.

Mr. EASTLAND. Mr. President, I ask unanimous consent to offer an amendment to the bill. I offer it on behalf of myself and the Senator from South Carolina [Mr. JOHNSTON].

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

Mr. KEFAUVER. Mr. President, this is a momentous day for the District of Columbia. For the first time in nearly three-quarters of a century, the Senate is taking up for consideration a bill granting home rule to the residents of the District of Columbia.

We who are citizens of the States—citizens of the United States—like to think of Washington, the Nation's Capital, as the center of world democracy. It is the Capital of the democratic world. The free people of the world now look to the United States and to Washington, its Capital City, for moral as well as material support in these trying times.

This city of Washington—the District of Columbia—has now a population of almost 1,000,000 inhabitants. The population of the District of Columbia is approximately as great as the combined populations of Nevada, Wyoming, and Montana. The state of literacy is the highest of any place in the United States, the people of District of Columbia have a broad cultural background, and yet, so far as citizenship is concerned, they exist in a twilight zone.

We are constantly talking about the right of free peoples to have a say in their own affairs, and yet, insofar as I know, this is the only great city in the democratic world where people do not have suffrage.

Senate bill 1527 in providing local self-government for the District of Columbia, restores to District citizens a type of government which the Congress established soon after the District was created, and which prevailed for three-quarters of a century.

It was in 1790, 3 years after the Constitution was agreed upon and signed, that Congress decided to locate on the Potomac the seat of the United States Government, defined in the Constitution only as a district not exceeding 10 miles square, to be secured by Congress by cession from the States. At the same time Congress accepted the cession by Maryland and Virginia of the respective parts of their territories needed to form the Federal District, it decided that the Government should move to such district in 1800, 10 years later, and provided that the laws and governing units of Maryland and Virginia would continue in effect within the District of Columbia until Congress ruled otherwise.

Thus for a 10-year period immediately following the creation of the District of Columbia, Congress delegated to the Legislatures of Maryland and Virginia the authority to legislate for the District, a delegation which was considered by Congress to be entirely consistent with the provision in the Constitution that Congress shall have the power to exercise exclusive legislation over the Federal District. This action by Congress carried out the principles set forth in Madi-

son's Federalist paper, No. XLIII—the only elaboration of this particular article of the Constitution—in which Madison stated that the draftsmen of the Constitution did not intend to deprive the citizens of the Federal District of the right to elect "a municipal legislature for local purposes."

In this connection, it must be remembered that to the framers of the Constitution the term "exclusive legislative authority" meant an authority independent of any of the States, and not necessarily an authority which Congress itself must exercise without delegation. This is traceable to an incident which occurred in 1783 when the Continental Congress was meeting temporarily in Philadelphia. A group of soldiers of the Continental Army mutinied and converged on the Congress to demand back pay. The Continental Congress appealed to the State of Pennsylvania for protection, but the State authorities declined on the ground that the Philadelphia militia would not fight unless some "outrage" occurred. As a result, the soldiers poked their muskets through the windows of the chamber in which Congress was sitting and disrupted its deliberations. Congress immediately adjourned to a safer location, in Princeton, N. J., and it was there, in a debate on the location of a permanent capital, that the first reference was made to granting Congress exclusive authority over the new Capital. By this it was clearly meant that the States should surrender jurisdiction over the Federal site to Congress in order to avoid a repetition of the indignity which Congress suffered in Philadelphia.

When the Government moved to its new Capital in 1800 it was necessary for Congress to make a further decision regarding the government of the District, since the 10-year period during which it was governed by the laws of Maryland and Virginia was about to expire. A bill calling for complete assumption by Congress of the government of the District, acting through executive officers appointed by the President, was rejected chiefly because of the clamor from local residents that such a measure would disenfranchise them. A territorial government, with an elected legislature and an appointed executive, was considered, but in view of the complexity of the problem Congress fell back on what was essentially a continuation of the existing system.

The law of February 27, 1801, whatever its limitations, set the basic pattern for District government for the next seventy-odd years. The District was divided into two counties separated by the Potomac; the laws of Maryland and Virginia, then in existence, were continued in effect, and the further legislative authority of the States within the District was ended; the municipal governments of Georgetown and Alexandria, which included a council and a mayor elected by the voters, were continued; and a Federal court system was established. The city of Washington, the only part of the District without adequate governmental machinery, was granted a corporate charter by Congress the following year, 1802.

This charter provided for a twelve-member elected council and a mayor appointed by the President, who had a veto power over the actions of the council. In 1811, the members of the council were given the right to pick their own mayor, and in 1820 the charter was amended to permit the mayor to be elected by the people. This form of government continued until 1871, without substantial change.

I call the attention of Senators to the fact that in the Congress at the time the law of 1802 was passed sat many, as Members of the House of Representatives and of the Senate, who had been members of the constitutional convention, and they raised no objection to the constitutionality of giving residents of the District the right to vote, or of delegating to the people of the District of Columbia the right of self-government.

Early in the history of the District, Congress realized that fiscal matters played an important part in the relationship between the Federal and District governments. The transfer of the Federal Government to the District of Columbia entailed additional expenses of a national rather than a local character, and local tax rates had steadily increased since the establishment of the Federal Government in Washington.

Congress quickly accepted responsibility for paying for streets fronting public property, but the appropriations seem to have been insufficient for the purpose. In 1822 Senator Eaton, of Tennessee, finding Pennsylvania Avenue impassable for horse or foot, called on Congress to bear the burden of maintaining United States property. In 1836 Congress for the first time appropriated money to be used by the District for a nongovernmental purpose when it assumed certain canal debts incurred by the municipalities of Washington, Georgetown, and Alexandria. Ten years later, when Alexandria again experienced financial difficulties because of the failure of the canal project, Congress quickly acceded to the petition of Virginia to restore Alexandria to that State.

In 1868 the current charter of Washington was due to expire, and Congress was once more required to face the difficult problem of District government. Two alternatives were considered: a territorial form of government with an elected legislature and an appointed governor, and a commission form of government with the three appointed commissioners and no elected officials. The issue was a thorny one, particularly because some of the substantial District residents, dissatisfied with the universal male suffrage which Congress had imposed on the District 3 years before, favored the commission form of government. In the end Congress avoided a decision and extended the existing charter.

By 1871, however, it became essential to give the District a more modern and efficient government, capable of providing overcrowded Washington with adequate streets, sewers, and other public improvements so that it could become a capital city of which no citizen need be ashamed. To do this job, Congress swept away the outdated system of municipalities and es-

tablished a territorial government for the entire District. The government consisted of a legislative assembly, a 22-member House of Delegates, elected by the people and an 11-member council appointed by the President, a Governor, and a Board of Public Works, both appointed by the President. The District was also granted an elected delegate to Congress. The law establishing the new government also contained increased recognition of the obligation of Congress to appropriate funds for the District, and even provided for a 5-year assessment of the value of property owned by the Federal Government.

The first Governor appointed by President Grant was Henry Cooke; but Alexander Shepherd, a member of the Board of Public Works, actually dominated the new government and succeeded Cooke as Governor in 1873. Within the space of 3 years Shepherd completed much of the public-works program which the Territorial government was expected to achieve. In so doing however, he built up a staggering debt. Congress quickly became dissatisfied with the Territorial government, although realizing that, whatever the change, Congress would in the future have to share financial responsibility for the District.

All of these factors combined to make a difficult problem more difficult, and, as usual, Congress was unable to agree on more than a temporary solution. In 1874, near the end of its session, Congress passed—and purely as a stopgap—a law which abolished the Territorial government and provided for three appointed Commissioners, to act as receivers of a District threatened with bankruptcy. This measure, which abolished suffrage completely, was intended only as an emergency measure. Nevertheless, in 1878 Congress made permanent the commission form of government as the most available solution to an extremely complex problem. To District residents the only compensating feature of this legislation was that Congress agreed, as a necessary corollary of its complete assumption of the District government, that the United States should contribute one-half of the expenses of the District.

This stopgap measure is still in force today, with the exception of the 50-50 formula for expenses, which was abandoned, despite continued Federal control, in favor of a lump-sum appropriation which has ranged from 12 to 32 percent of total District expenses. Meanwhile, the District of Columbia has grown to such an extent that its population is greater than that of 14 States, and, in spite of the principle of no taxation without representation, for the year ending June 30, 1947, more Federal income taxes were collected in the District of Columbia than in each of 37 States.

The charter of 1878, in the light of present day needs is entirely inadequate. The District Government has grown by leaps and bounds since 1878 without coordination, or any clear plan of departmental organization. From half a dozen units of government it has grown to more than four score governmental units rendering service to the people of the District.

A policy arrived at by the Commissioners can be fully effective only over those agencies over which they have complete control. If Members of the Senate will examine the chart in the back of the report they will find that it presents graphically the present perplexing system of dual control, there being more than 110 or 111 different departments or divisions or agencies in the District of Columbia. On the following page is set forth the organizational chart showing the system that would be put into effect upon the passage of the pending bill.

For example, the Commissioners have full control over only 26 agencies, among which are the Health Department, the Collector of Taxes, the Fire Department, the Police Department, the Office of the Assessor, the Office of the Sanitary Engineer, and the Office of Vehicles and Traffic. They have administrative control over 16 agencies, among which are Public Welfare, Education, Public Utilities, Zoning, and Recreation. They have budgetary control over eight agencies, four of which are controlled by either the Department of Interior, War Department, or the Smithsonian Institution. There are 14 agencies over which the Commissioners have audit control only.

It can readily be seen that the Commissioners have effective control over only a small segment of the local government.

Lines of responsibility and control are obscure and confused. Piecemeal changes have been made often with little consideration for existing services, sound organization, or integration of procedures and methods. From such haphazard development there has inevitably resulted a multiplication and overlapping of services. This has brought about a lack of centralized responsibility and effective administration with unnecessary duplication, conflicts in authority, inconveniences, and injustices to residents and taxpayers.

The division of responsibility within the District Government is marked by the division of local services between District and Federal agencies. This results in maintenance of duplicate facilities and overhead staff, in budgetary confusion, and in decentralized control, especially in the departments administering the police, water supply, road building, recreation, and health facilities.

Great advances have been made in recent decades in local government throughout the United States. However, the form of the District Government has undergone no material change since 1878. Various boards, commissions, and other units have been added or abolished from time to time, but every time there is a snarl, Congress must take the time and make the effort; but more often adds "confoundment to confusion." Until today there has been no major effort to develop an integrated plan of government with sharpened lines of executive responsibility and centralized authority.

Senate bill 1527 is an integrated plan to provide a solution to this unhappy state of affairs in the Nation's Capital.

Since 1940 the Democratic platforms have included home rule. In 1948 the Democratic and Republican platforms

included home rule. The Democratic platform in 1948 read: We favor the extension of the right of suffrage to the people of the District of Columbia. The Republican platform read: We favor self-government for the residents of the Nation's Capital.

The form of government in the District of Columbia has been the subject of study for many years and the conclusion reached in most of the studies is that the government of the District is cumbersome, complicated, and confused. The Bureau of Efficiency so reported in its study covering a period of 12 years, 1921 to 1933. The Brookings Institution in 1928 and 1929 conducted a careful survey and published a book under the authorship of Dr. Laurence F. Schmeckebier and W. F. Willoughby with the same conclusions. The Economy Committee in 1934, the Jacobs Committee in 1936, the Citizens' Efficiency Committee in 1937 and the Griffenhagen and Associates Report in 1939, all agreed that the District Government was complicated and should be thoroughly overhauled and revised in the interest of efficiency. Then there was the Auchincloss Committee in the House of Representatives, with a staff headed by Dr. George Galloway, and Mr. Pierce, his assistant, which devoted more than 12 months to an exhaustive study, and arrived at the same conclusion.

We have had the benefit of all these studies and reports, and especially that of the Auchincloss committee, which did a monumental work, and the report of that committee and its hearings have formed the background of the legislation we are presenting today. This bill offers a progressive and thoroughly workable program for administrative reform and local self rule.

I point out that in the House of Representatives, in the last session, because of the crowded condition on the calendar, the Auchincloss bill, to which this bill is quite similar, never got to a final vote, but every vote that was taken was to sustain the bill. In the Senate the bill has had a very thorough consideration by the subcommittee and by the full committee. I am happy to say that the bill has bipartisan support of a number of the members of the District Committee of the Senate. The bill has been improved in a good many respects upon suggestions of the distinguished Senator from Ohio [Mr. TAFT] and by other Members of the Senate who have introduced bills on the subject, and who have been interested in home rule and suffrage for a number of years. Moreover, the Democratic organization, the Republican organization, business and civic organizations in the District of Columbia have been sponsoring and working for home rule over a period of a number of years. They have given the committee many valuable suggestions, many of which have been incorporated in the bill, and I feel that the active support they have given, the zeal with which they are working for home rule, and the widespread demand for suffrage, will certainly insure that, insofar as the people of the District of Columbia are concerned, this city, Washington, will, upon the enactment of the bill, have as efficient, interested, progres-

sive, thoughtful, and economic government as any city in the United States.

There is a general grant of legislative power to the Council from the Congress. We have some charts which I shall ask to have placed on the easel, so Senators may see them. In the bill it is provided, however, that any legislative proposal passed by the Council, other than ordinances and provisions which the Board of Commissioners can now make, shall be deposited with the Congress, and shall remain before the Congress for a period of 45 calendar days of continuous session. During such time any legislative proposal may be vetoed by concurrent resolution of the two Houses. If there is no veto, the proposal is then sent to the President, who may, as in the case of other legislation, disapprove it within 10 days; otherwise it shall become law.

These are the provisions of the bill which raise the question of the power of Congress to grant legislative authority to a governing body for the District. The grant which the bill makes is similar to that which the Congress has made on several occasions to Territories of the United States.

I may say at this point that the Territories have been very successful in operating through their local governments which Congress authorized them to put into effect. They file their legislative proposals with Congress, but I am advised that no legislative proposal filed with the respective committees by the territorial governments has ever been modified or repealed. We have allowed them to go into effect because they know their problems better than we can keep up with them here. Such grants of power to territorial legislatures are no longer open to debate. They have frequently been upheld by the Supreme Court as being proper delegations of authority.

I may say there is no substantial difference between the power Congress retains over the District of Columbia and that which it necessarily retains over the Territories under article 4, section 3, clause 2 of the Constitution.

In connection with sustaining the legislative grant to the Territories I cite the cases of *Sere v. Pitot* (6 C. R. 322), *Miners' Bank v. Iowa* (12 Iowa 1), *Simms v. Simms* (175 U. S. 162), *Christianson v. King County* (229 U. S. 356).

Mr. President, the Senator from Michigan [Mr. FERGUSON] desires to make a statement on another matter. If it will not disturb the legislative situation, I ask unanimous consent that I be permitted to yield to him for the purpose of making a statement, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FERGUSON. Mr. President, I ask unanimous consent that my remarks may appear at the conclusion of the speech of the Senator from Tennessee, so as to avoid interrupting its continuity.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Mr. FERGUSON'S remarks appear following Mr. KEFAUVER'S speech.)

Mr. KEFAUVER. Mr. President, let us examine the provisions of the bill

which the House committee, the Senate committee, and almost all the organizations that have been interested in home rule join in unanimously recommending for passage by the Senate. The bill provides for an 11-member council, 9 of whom are to be elected, with 2 to be appointed by the President; and an elected 7-member Board of Education. These representatives are to be elected in November of odd-numbered years for staggered 4-year terms. Members of the council will receive a salary of \$5,000 a year, except the Chairman, who will receive \$7,500. He would be the titular head of the District government. It is not contemplated that the work of the council will take all the time of its members. The members of the council are to serve as a sort of board of directors of the District of Columbia.

The council will select from among its membership a Chairman, who will be the presiding officer of the council and the official spokesman for the District of Columbia.

The council will have the power to enact ordinances on local subjects, to enact legislative proposals, to adopt a District budget, and to appoint a District manager.

The School Board will choose its president, formulate educational policies, administer vocational rehabilitation, and appoint a superintendent of schools.

The bill authorizes the District council to appoint, compensate, and remove a District manager. It defines his powers and duties as chief administrative officer of the District government.

First adopted by Staunton, Va., in 1908, the manager plan has now spread to 876 American cities and towns. This, then, is a modern, progressive form of local administration designed to secure the services of a technician to solve the highly complicated problems of present-day local government.

Modeled on the internal structure of the private business corporation, it is recognized as the most progressive form of city government America has produced.

The city manager will be a trained and experienced administrator whose role is that of business manager of the public corporation, in which the governing board is the Council and the electors are the stockholders. He will be appointed by the Council for an indefinite term on the basis of ability and is removable by the Council.

The manager will have authority to appoint all the department heads, supervise and discipline employees, and prepare the annual budget.

He will attend meetings of the Council to make recommendations, give advice, answer questions, and meet criticism. In effect, he will direct the entire city administration under the constant control and supervision of the Council.

Under the manager plan there is unification of powers in the Council, but a separation of functions as between the Council and the manager. The Council formulates local policies and enacts them; the manager and the departments execute these policies.

Senate bill 1527 creates 12 departments of the District Government, each headed

by a director appointed and removable by the manager, at salaries to be fixed by the Council. It consolidates more than 100 scattered local governmental agencies along functional lines into these 12 departments: Health, Welfare, Recreation, Public Safety, Finance, Law, Public Works, Libraries, Labor, Commerce, Corrections, and Occupational and Professional Standards.

The bill authorizes department heads to reorganize their departments internally, with the manager's approval, and to create or abolish offices or positions therein.

The bill provides for a five-member board of elections, appointed by the President, with the consent of the Senate, to conduct permanent registration of voters and nonpartisan elections. The first elections would be held March 7, 1950, and thereafter in November of odd-numbered years.

Qualified electors would be United States citizens, 21 years old, resident or domiciled in the District of Columbia for 1 year, mentally competent and not convicted of felony. It is estimated that 650,000 persons would thus be enabled to vote in the District.

Only District domiciliaries could run for office and should have the same qualifications as qualified electors. Nomination shall be by petition signed by 90 qualified electors. A filing fee will be required of all candidates—\$30 for the Council, \$25 for School Board.

All elections will be at large and by plurality vote.

Under the bill, qualified electors need not surrender legal domiciles elsewhere. A progressive feature of the bill is that it makes it possible for qualified electors in the District of Columbia who have maintained a voting residence elsewhere, to vote both in the District elections and in their home State elections. No person, however, would be voting twice for the same person for the same office. In the States, he would vote for candidates for State and Federal office. In the District he would vote for candidates for the District Council and the Board of Education.

The purpose of this dual voting plan is to recognize that State domiciliaries resident here have a stake in the District, thus broadening the electorate and improving its quality. It avoids disenfranchisement of one-third of the potential voters.

A survey conducted in 1948 showed that 32 Governors favored the dual voting plan. The State of Maryland permits it. Other State constitutions and election laws do not forbid it.

Since the beginning of the history of the District of Columbia, the Federal Government has made an annual contribution to the cost of the District Government. From 1878, the year in which the present charter was passed by Congress, to 1921, the annual Federal contribution amounted to 50 percent of the cost of the District Government. It was a lump-sum contribution. From 1921 to 1925 the Federal Government contributed 40 percent of the cost of the local Government. Since 1925, the Federal contribution has been on a lump-sum basis and has ranged from five to twelve million dollars a year.

At the present time it is \$12,000,000 a year.

The bill establishes a simple, clear, fair, and automatic method of determining the Federal payment for general support of the District. Instead of the lump sum which has been contributed each year since 1925, our bill provides a formula by which the Federal Government will contribute an amount equal to 20 cents for each dollar of locally derived District revenues during the preceding year. In other words, it gives an incentive to the people of the District to raise money by local taxation, because, for every dollar they raise under this formula, they will receive 20 cents from the Federal Government.

The appropriation of such amount is authorized in the bill so that the District may anticipate, for budgetary purposes, its revenues from Federal sources.

Do the people want it? This bill provides that the government shall not perform until the people have voted "yes" in an official referendum held for this purpose. In unofficial referenda, of which there have been several, it can be safely stated that the people who voted favored home rule. But I must add that the vote was not specifically on any particular type of government. But that they wanted the right of suffrage and home rule has been indicated in every one of these unofficial referenda. For what it may be worth, in a Gallup poll taken last year, 77 percent of all the people, Democrats and Republicans, in all sections of the country, North and South, approved this measure.

The charter would become effective only after approval by a majority of District voters in the referendum. Of course, this form of self-government can be rejected by the people of the District by referendum if they so desire.

A cursory reading of the hearings over the past two decades clearly indicates that the citizens, of their own free will, organized into groups for the distinct purpose of promoting home rule.

Adequate safeguards of Federal interests are assured by constant supervision of District affairs by the District Committees of both Houses of Congress, by the power of Congress to disapprove District legislation by concurrent legislation, by the power of the President to veto District legislation, and the right of Congress to annul or amend the charter at any time.

Home rule should be established not only as a matter of privilege, in the interest of adequacy and representative government, and not only because our Capital City would be better governed, but—and this is important—it would relieve the Congress of a great burden. Under our present system, committees of Congress act in the capacity of members of the board of aldermen or city council. We all know Members of Congress are so busy wrestling with problems of national and international importance that it seems unfair to impose this responsibility on Members of Congress. Only recently we devoted nearly a full week to discussion and enactment of the revenue bill for the District, which included the sales tax, while legislation of great magnitude was piling up on the calendar.

We also considered a bill to provide for disposal of weeds and grass which had grown more than 4 inches in height.

In 1943, appearing before the Subcommittee of the House Judiciary Committee in the Seventy-eighth Congress on House bill 2620, a bill to provide for a Delegate from the District to the House of Representatives, Justice Harold H. Burton of the Supreme Court, then a Member of the United States Senate from Ohio, a former mayor of Cleveland, and a recognized authority in the field of government, had this to say:

It is obvious that we cannot as a Congress perform adequately and fully the duties of a city council. Congress is just too large to be a good city council. No city council would organize itself with a membership of 531 members. It just would not be conceivable. This is a handicap with which we start.

Even in 1871 the growing complexities attendant upon the District were recognized as being unduly burdensome upon the Congress, in its capacity as the real governing body for the District. The remarks of Senator Hamlin, the Senator from Maine at that time, read as though they had been spoken only yesterday. Let me quote a paragraph from his speech during the discussion of the bill to provide a government for the District of Columbia, which appears in the CONGRESSIONAL GLOBE of January 23, 1871:

Having been connected with the bill which originally passed the Senate at the last session, I desire to say that I regard the whole thing as an experiment, and it was in that view that the bill was originally passed; but I have great faith that it will prove to be a successful experiment. It is found utterly impossible to have accomplished in Congress the requisite legislation for the District. There are so many public measures pressing upon the attention of Senators and Representatives, demanding their time and investigation, that they have not the time to devote that attention to the affairs of the District of Columbia which the District requires and demands. Such is the practical effect, as every Senator knows.

It does not make sense to have Members of Congress give thought and time to matters of local importance which could be better handled by an elected council.

This bill affords the Congress an opportunity to relieve itself of much of this burden of local legislation and at the same time it restores to the residents of the District the privilege of an elected, representative local government.

GERHART EISLER

(By unanimous consent, the following remarks by Mr. FERGUSON, delivered during the course of Mr. KEFAUVER's speech, were ordered to be transposed to this point in the RECORD.)

Mr. FERGUSON. Mr. President, a very disturbing news report came from England today. I refer to the reported decision of the Bow Street Court, in London, denying the extradition to the United States of Gerhart Eisler. It is disturbing because of its effect on international relations, which, of course, are political as well as legal relations.

Ordinarily this case would be a simple matter of criminal extradition; but it seems that it has been considered by many to be different from the ordinary extradition. I wish to make a few re-

marks on this subject at this time, because I think it is pertinent to what we were discussing earlier today on the floor of the Senate, namely, the central intelligence bill.

Mr. President, I think we should try to analyze this case and find out what has happened. First, we must analyze the treaty between America and Great Britain under which this extradition could be had. Incidentally we might look at the bail-bond circumstances. When a man flees a bond the common law is very clear that the bondsman is in a position to go anywhere—even across national lines or State lines—to apprehend the fugitive and to return and surrender him in place of the bond, no extradition being necessary.

In this particular case it is very significant that the bond which was put up for Gerhart Eisler's appearance in court consisted of \$20,000 worth of Government bonds. It is also significant that the bond was put up by an organization which has been listed by the Attorney General as a subversive agency, that is, a Communist-front organization. It being claimed that Mr. Eisler was the No. 1 Communist in America, it would not be surprising that the organization which put up the bond, having the character which has been stated, would not be interested in bringing him back and surrendering him to save the \$20,000. I have heard no claim from the bondsmen that they are interested in bringing Mr. Eisler back. They seem satisfied to forfeit the \$20,000.

Another significant point is that Mr. Eisler was in fact at liberty on two bonds, one in connection with alleged contempt of the House of Representatives, when he refused to be sworn to or to answer questions, and the other in connection with a perjury case. But the Government bonds which were put up in connection with the contempt charge were the same as those which were put up in connection with the perjury charge, or the charge of false swearing, which I shall discuss later. So, instead of the Government getting \$40,000 upon the forfeiture of the bonds, the United States Government gets only \$20,000.

Now, let us consider what the decision of the English court means to the people of the United States. Eisler has been released and is a free man at the present time, free to go his way. The treaty provides for extradition in cases of perjury or subornation of perjury. Under the common law perjury is defined to be willful false swearing on a material fact in a judicial proceeding; but, in addition to the common law, many other statutes have been enacted, both in England and in America, dealing with the crime of perjury. The situation is similar to burglary. Under the common-law definition of burglary, a person had to do the breaking and entering at night, with intent to commit a felony. We have enacted burglary statutes to deal with burglary in the daytime. All such crimes are called burglary, without distinction.

In England, as in America, there are such kindred statutes, as they are called.

In the United States we have three laws under which Eisler could have been prosecuted: (1) He could have been

prosecuted for false swearing in connection with his exit permit or false swearing in relation to the immigration laws. This was the charge on which he actually was convicted. (2) He could have been charged with perjury under the perjury statute, because the agency before which he has sworn was a quasi judicial agency. (3) He could have been charged with a violation of the immigration law.

Great Britain has similar statutes. For example, there is an English statute covering perjury or false swearing before Government boards in connection with applications for aid or for grants, or for permission to do something. The charge against Eisler was that of false swearing in connection with his emigration or exit permit.

Every element involved in a perjury charge, under the words of the treaty, was alleged and proved against Eisler on the charge of false swearing in connection with his exit permit. A fair construction of the law should then have included it within the treaty provision.

Section 9 of the treaty must be considered in this connection. The treaty makes it necessary to establish two things before a person can be extradited. One of them is the identity of the person. There is no question about the identity. That was clearly proved beyond any doubt.

The second question is, "Is the offense one which falls within the treaty?" The term used in the treaty is "perjury" or "subornation of perjury." I am sure that the word "perjury" was used in the treaty in its generic sense. Therefore, it must include kindred offenses. The offense of false swearing in connection with an exit permit would certainly come under the head of kindred offenses and should be included under a construction of the word "perjury."

In determining the second question, whether the offense is one which falls within the treaty, we must determine whether it was a crime in Great Britain. As I previously stated, the British law, as does our law, includes within the charge of perjury the kindred offenses to which I have referred. Therefore it appears that the offense was clearly covered, because it would come under the head of kindred offenses.

The court ruled—and I shall try to quote as accurately as I can from the press report—that there was no doubt of this man's guilt of the crime with which he was charged, but the court did not believe that the crime was one within the meaning of the treaty. This is a very narrow construction of the word "perjury," because of the failure to include within it similar crimes or kindred crimes. It appears clear that if there had been a will to do so, and considering the whole case, a will to help the cause of justice as the United States represented it, the court could as well have held that the charge against Eisler was clearly within the wording and the meaning of the treaty.

Under British law, the statute being of a criminal nature, once Eisler is freed by the Bow Street Court, there is no appeal. Under either the British law or the United States law, if Eisler had

been convicted, he could have appealed; but no right of appeal is given to the prosecution in such cases. Nevertheless, the Senator from Michigan hopes this does not end the Eisler case.

Mr. President, I turn now to a highly significant parallel. It is happening here in the United States in connection with cases in which Communists are involved. I believe it strikes at the very fundamentals of justice, as does the Eisler case. I refer to the picketing of courts of justice. I cannot impress too strongly upon the Senate what is occurring in our Country as well as in Great Britain where the courts are fundamental institutions, when a Communist is involved in a court trial and when there is picketing of the court.

This question, and it must be answered:

Many people will ask, "Is it not true that the picketing and political demonstrations intimidated the British court?" Mr. President, the unfortunate thing is that so far as the public is concerned a court cannot prove that it is not intimidated or influenced by the picketing or by political demonstrations. And, on the other hand, the public either here in the United States or in Great Britain, cannot prove that picketing did intimidate or influence the decision of the court. But obviously such picketing strikes at the very foundations and fundamentals of justice, because it leaves in the minds of many persons a belief or feeling that there was intimidation and the court's decision was not a free decision.

In the press of the United States there appeared pictures of what was occurring outside the Bow Street Court, in London. The pictures showed that the picketers carried banners or signs reading "We want Eisler freed."

Mr. President, did such demonstrations influence the decision of the court, or did they not? I say that the courts of the United States and the courts of Great Britain must be like Caesar's wife—above suspicion. If the day ever comes when the courts of Great Britain or the courts of the United States allow themselves to be placed in such a position that the public will be able to draw a conclusion they have been intimidated, or decide cases because of political pressure, that will be a sad day for justice.

Mr. EASTLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from Michigan yield to the Senator from Mississippi?

Mr. FERGUSON. I am glad to yield for a question.

Mr. EASTLAND. I agree with what the distinguished Senator from Michigan has said about our courts. Does not the Senator realize that if picketing of the courts were permitted, the very next step would be that Communist elements would be picketing jurors, picketing witnesses, picketing the prosecuting attorney who was conducting such a case, trying to intimidate such persons and keep them from performing their duty?

Mr. FERGUSON. Yes; it would be only a short step to that situation. And, in effect, jurors are being picketed today. When the jury in the New York case

must know that outside the courtroom there is a picket line, and cheering and demonstrations by the picketers, I feel the members of the jury are bound to be affected. Of course, in the case in the British court there was no jury, only the judge.

Nevertheless, I say it will be only a short step before jurors will be picketed in their homes. After all, Mr. President, jurors and judges are human. I say we must remove these pickets and these political demonstrations, so as to prevent any challenge to the jurisdiction of the courts or any attempts at intimidating or influencing the courts. After all, what is the picketing if it is not intended as intimidation of the court, and why should it not be recognized as such?

Mr. EASTLAND. Mr. President, will the Senator yield for a further question?

Mr. FERGUSON. I yield.

Mr. EASTLAND. Does the Senator from Michigan mean that at this time any Federal court has the power to protect itself by way of contempt proceedings in such cases?

Mr. FERGUSON. I am firmly of the opinion that the fundamental law of the land gives the courts of justice full power to protect themselves. It is an inherent power they possess. They cannot function without this inherent power.

In the United States the point has been reached that it is almost impossible for a case involving the trial of a Communist or involving communism to be brought up in court unless the judge on the bench is continually heckled—so much so that in the Coplon case, here in the District of Columbia, the judge had to find the defense attorney guilty of contempt of court.

Mr. President, I say the time has come when the bar associations will have to call before them the lawyers who participate in such cases if they do not conduct themselves in the proper way. The attorney is after all an officer of the court, and he must conduct himself accordingly.

Mr. EASTLAND. Mr. President, will the Senator yield for a further question?

Mr. FERGUSON. I am glad to yield.

Mr. EASTLAND. Does not the Senator from Michigan think, for the reason that it is now largely a matter within the discretion of the judge—

Mr. FERGUSON. Yes; it is within the discretion of the judge—

Mr. EASTLAND. Inasmuch as the judge now has the discretion to decide whether he will proceed by way of contempt action, does not the Senator from Michigan believe the Congress should make it mandatory, by way of statute, that the judge proceed to institute contempt proceedings, and that such persons be punished in that way?

Mr. FERGUSON. Mr. President, I have come to the conclusion that such statutory action must be taken. The district attorney should be given power to proceed to protect the courts. Of course, the courts already have the authority to act by way of contempt proceedings; but I think we have now reached the point when the United States Congress must by law provide that it is contempt of court to demonstrate out-

side a court or to picket a court or to attempt to intimidate a court.

If the courts are to continue to hold their high place in the administration of justice—and they must continue to do so—I think the bar associations must say to counsel who participate in a trial involving communism or a Communist, "You have no more rights in this case than you have in any other case; in this case you must conduct yourself in the same way that you should conduct yourself in any other case." Otherwise, Mr. President, unless great care is taken, both in United States courts and in British courts, a most serious situation will be reached. We shall find that we are becoming collaborators with the Communists in their activities, playing into their hands. Obviously we cannot afford to do that.

The present dangerous situation has arisen only because we do not understand that communism really is here in the United States, and in Great Britain as well, I may add.

I say that if Britain today were arguing for the extradition from the United States of a man who had committed a crime similar to that Gerhart Eisler committed, and had been convicted under their laws, our courts would have granted extradition and returned him to England.

Of course, Mr. President, under a treaty it is of prime importance that reciprocity exist. The crime involved in this case is such that a person accused of it would be indictable, if in Great Britain; and if he were in the United States, he would be extraditable from the United States to Great Britain. But under British construction it appears not to be extraditable from Britain. Therefore the treaty means nothing so far as the United States is concerned. That certainly was not anticipated when the treaty was entered into.

Mr. President, did the pickets intimidate or influence the court decision to set Eisler free? Certainly, their demonstrations were aimed at intimidation. As we know to be the case in New York City where Communists are being tried, the only possible purpose of the pickets and the demonstrations and even the actions of the defense lawyers is to intimidate the court, to make it impossible for the court properly to carry on the administration of justice.

I want to comment on another feature of the Eisler case. It is only 2 weeks tomorrow that Eisler was taken off the ship in England. Under the treaty we should have had 60 days in which to prepare the case for extradition and to present evidence. The treaty so provides. But the case was called 3 days ago, and when application for a continuance of 1 week was made in order to obtain one or more witnesses from America, the court gave only the 3-day adjournment, and the case was brought up this morning.

England is still far away from America when it comes to obtaining evidence and presenting it to the court in London. The treaty allows 60 days. The 3-day adjournment was not sufficient. When the request was made in court this morning for an additional continuance of 3

days, until next Monday, the court denied the application and made its ruling forthwith.

Will it be any wonder if people claim there has been a miscarriage of justice in the case? I do not wish to be too severe upon the court. Before I came to the Senate floor this afternoon, I endeavored to obtain all the facts obtainable, that I might call them to the attention of the Senate. I think matters of this kind are very serious.

There was the hue and cry that this was not a criminal action, that it was purely political. An argument was expected that Eisler was a political fugitive, and therefore not subject to extradition under the treaty. The court of Great Britain today has at least ruled it was not political, that it was the case of a common, ordinary criminal who had jumped his bond. But the court interpreted the nature of the crime very narrowly.

Many people will say "good riddance." They will say it is good riddance to get the No. 1 Communist out of America. I cannot agree. Eisler was convicted of a crime, sentence was imposed, and the proper administration of justice requires that he should serve the term imposed by the sentence. If that were not the rule of justice, any man convicted of a crime could put up a bond, or even be placed at liberty under personal bond, and could then flee the country with the United States powerless to follow him.

I say the United States would follow a man if he were not a Communist; so why should we not follow a man who is a Communist? We believe in the motto carved upon the front of the United States Supreme Court Building, across the lawn from the Capitol, "Equal justice under law." We believe that all should be treated alike. The incident cannot be passed off merely by saying it is good riddance. No; Eisler, like anyone else, should be accorded equal treatment under the law.

I think a thorough investigation is necessary in order to ascertain why Gerhart Eisler was allowed to board the Polish ship on which he left this country. I think it will be well to check upon those who represent that steamship line in America, as to how they came here, as to whether they are Communists, as to whether they have violated our immigration laws. If they have violated them, they should be deported.

The same thing may be said of any Communist doing business in America, in violation of our laws. It has been ruled and we know that Communists do not constitute a political party. They are members of a conspiracy. For that reason, laws have been passed to keep them out of this country. Therefore, I urge the Department of Justice to make a full investigation and take all steps permitted by law, to determine what has been done in the past, and to prevent anything of the kind taking place in the future.

But the American people must go further and they must understand the nature of communism in order that they may properly cope with it. If, in the

face of all that has happened, we are to treat Communism as merely a political party in America, we must expect to have things happen as they have happened in the Eisler case and as they are happening in other cases here in America. I think it is a matter of importance to the Congress. It is important to the people, and it is vital to our way of life.

ACCOMPLISHMENTS OF THE UNITED NATIONS

Mr. THOMAS of Utah. Mr. President, despite the fact that we hear some discouraging reports about world conditions, I feel, although the President of the United States has sent to the Congress a report on the accomplishments of the United Nations, it would be well for the Senate to recognize some of the achievements of that organization, and it is for the purpose of calling attention to them that I rise at this time.

On April 5, 1949, when over 400 delegates from 58 nations met at Flushing Meadows to resume the third session of the United Nations General Assembly, the atmosphere was heavy with pessimism and gloom. Twenty-two undecided questions were listed on the agenda. Incidentally, because questions are undecided and because the world is full of gloom, we should not feel that the United Nations is a failure and is not attempting to settle these questions through discussion and the adoption of methods, instead of letting gloom turn to something worse.

Most of the questions had been debated at earlier meetings without reaching any solution, and the prospects of settling most of them at this session seemed dim. The rivalry and tension between east and west had never been greater. The Berlin blockade continued unrelentingly, with no apparent prospect of being lifted. The Atlantic Pact had been signed the day before in Washington, and while that event gave occasion for great rejoicing on the part of the peoples of western Europe, the men and women who were assembled at Flushing Meadows were apprehensive of the effect which it would have upon the work which needed to be done. The delegates had been made diffident by some critics who had characterized the Assembly as an important debating society. The prospects were not good.

Mr. President, I wonder why it is, after the one-hundred-and-fifty-odd years of experience of the Congress of the United States, and especially the experience of the Senate, that people make fun of debating societies. A body such as the Senate, where there is the right to unlimited debate, and where Members talk regardless, is in reality a debating society. But how are people ever to settle any of the questions which continually arise except through the method of talk? Therefore, without knowing it, those who criticize congresses, parliaments, and international meetings as debating societies sometimes accidentally put faith in those institutions which are the most stable in the whole world today. We can hope and pray that the meetings of the institutions connected with the United Nations may always remain debating societies, and that free-

dom of speech and freedom of expression shall be unhampered, not only in one community but in the whole world. That was the aim. Representatives of governments meet in the United Nations. We in our country talk much about freedom of speech. What makes our country great is that freedom of speech is indulged in by the branches of government. When we see courts turning political, it means that freedom of speech has been taken away from them, but so long as a Justice of the Supreme Court can say what he wants to say, it means that Government is functioning properly in the United States. Government by talk is inevitable in any democracy. Therefore characterizing any institution as a debating society in no sense hurts its effectiveness, or mars its purposes, or detracts from its accomplishments.

And yet, last week, when Dr. Evatt brought down his gavel and ended the final meeting, hopes for peace were brighter and faith in the United Nations was stronger than it had been for a long time. The record of accomplishment of the General Assembly during the 6 weeks that had seen the political barometer rise from stormy to variable, with a likelihood of going still higher, was one which indicated to all that, in the words of Dr. Evatt, "the United Nations is a going concern and has come to stay." What was that record?

I am not going to paint a shining picture of something that has not been accomplished. We have only the seeds of international organization planted. The growth has to come. No matter how successful one may be momentarily, that is no guaranty of what may follow. But we should recognize the fact when a forward step has been taken, and that is all I am attempting to do.

The Assembly had, in this most fruitful adjourned session, considered and discussed a large number of knotty problems and taken action upon almost all of them. Possibly the outstanding accomplishment of the United Nations, during this meeting of the Assembly, was the role which it played in settling the controversy over Berlin—a controversy which was not even on its agenda and which has not been finished, the controversy is still existent; but which was constantly in the minds of the delegates, and the presence of which affected, directly or indirectly, every debate and every question which was taken up by representatives of east and west. The part of the United Nations in the lifting of the blockade of Berlin is further evidence, if evidence is still needed, of the great importance and value of having a permanent international forum where not only ideas and facts are continuously being exchanged but where the door is always open for discussion and settlements of disputes. The mechanism exists there for the solution of all international problems, and its flexibility permits governments to approach each other, through their representatives, directly or indirectly, in public or in private.

Mr. President, not all the problems of the world will be solved there, not all of them will be half solved, but there is still an agency where an attempt at solution is being made. This was the case in the

discussions leading to the lifting of the blockade.

Note the simplicity of the statements which I am going to make, and see how commonplace everything is; but from those commonplaces great things may come.

On February 15, Mr. Jessup approached Mr. Malik, the Soviet representative, in the delegates' lounge at Lake Success, and asked him whether any significance should be attributed to the omission of the problem of Berlin currency in a recent statement by Premier Stalin. Mr. Malik did not reply immediately, but later stated to Mr. Jessup that this omission was not accidental. Conversations continued at the United Nations between Mr. Malik and Mr. Jessup, and eventually the announcement was made that the blockade would be lifted and the foreign ministers would meet. The opportunity afforded by the United Nations for informed discussion and negotiation between the Governments of the United States and the Soviet Union in reaching a solution to the blockade, and in bringing about a meeting of the Foreign Ministers, is a direct and proximate cause of the settlement of this troublesome question.

Mr. President, I should say that I do not in any sense wish to imply that our State Department and other negotiating agencies were not doing all they could, but probably the straw which helped in bringing about decision came from this first conversation.

The matter of the disposal of the former Italian colonies in Africa was probably the most outstanding one on the agenda of the Assembly. The fact that no final decision was reached should not stigmatize the Assembly on this point. As Dr. Evatt stated in his opening address on April 5, the only reason the Italian colonies are an issue on the agenda is solely because those responsible for the peace settlement with Italy could not agree upon any solution. The responsibility still rests with the governments which hold the key to writing a peace treaty between these nations. It is not the responsibility of the United Nations.

The task was given to the Assembly to reach a just decision. After a great deal of debate, in which it was evident that the United States, the United Kingdom, France, the U. S. S. R., and Italy all had divergent views, it was finally decided to postpone any action until next September. By that time it is to be hoped that the international climate will be better adapted to a settlement. Pending the decision by the Assembly, France will continue to administer the Fezzan and the United Kingdom will continue to administer all the remaining Italian colonies in Africa. Although the uncertain future state of these colonies is painful to all interested parties, it is better to proceed slowly if thereby an equitable and lasting solution may be assured.

One of the outstanding events of the last Assembly was the acceptance of Israel as the fifty-ninth member of the United Nations on May 11, thus fulfilling the hopes of thousands of people everywhere. The Arab bloc continued to oppose admission to the very end, but could

muster only 12 votes to the 37 favorable votes. The overwhelming majority of the members of the United Nations had already granted recognition to this new state and it was only just and fitting that it should take its place in the United Nations.

Admission of Israel is another step along the road to a peaceful solution of the Palestine problem which has been before the United Nations since the Special Assembly, called at the request of the British, in April 1947, and is a fulfillment of the pledge in the partition plan of November 29, 1947, to give sympathetic consideration to the application for membership of either state envisaged in the plan.

Israel's admission at this time will help the conversations now going on in Lausanne between the Arab States and Israel under the auspices of the United Nations Conciliation Committee to work out a permanent peace settlement.

At this point, I want to pay tribute to a great American, Dr. Ralph Bunche, who as acting mediator for Palestine did so much to help bring about peace and stability to that troubled area. I think we should all be proud of him.

Mr. President, the first time I met this gentleman was at a conference dealing with pacific relations, during which, as a student, he showed a background and understanding of colonial questions the like of which few persons attending that conference had. I have watched his growth and development from that day to this, and I say that our people can be very proud that the school system of America is able to produce such a man.

Another important accomplishment of the Assembly was the approval by a vote of 33 to 6, over the usual vociferous opposition of the Soviet Union and her satellites, of a proposed convention that attempts, for the first time, to set forth basic international principles to safeguard the free flow of information. The draft convention, which was painstakingly drawn in one of the Assembly's committees, contains specific protections for correspondents and news agencies. Its chief purposes are to facilitate the entry, residence, and travel of foreign correspondents, and prevent their arbitrary expulsion, and to facilitate access to news for all correspondents as far as possible on the same basis given to domestic correspondents, and accord the right to transmit dispatches at nondiscriminatory rates. The article dealing with censorship makes any kind of censorship, editing, or delay of dispatches, in peacetime unlawful, except for reasons of national defense and outlines strict conditions under which this limited censorship may be undertaken.

Mr. President, I cannot help but digress for a moment at this point, to call attention to the fact that the only two commercial treaties which the Senate has ratified with former enemy states and the treaty with China, a country which never until the ratification of that particular treaty, or at least since 1844, has conducted in her own right negotiations for a treaty, carry the free information provision. I am happy to say that I had much to do with the preliminary work

on them, and with their ratification. I am happy also to realize that the United Nations follows the American ideal in respect to freedom of expression and freedom of news.

The articles which cause the most discussion are the ones which establish an international right of correction, whereby governments may submit their own versions of false and distorted reports to other governments of countries where the original news reports were published, who will release the correction to correspondents and agencies customarily used for the release of news. The corrected agency is not required to publish the correction, but is morally obligated to do so. The fact of its adoption is a milestone in the history of freedom of the press, and if the convention is ratified and becomes effective the work of the Assembly will have accelerated the growth of international understanding and forwarded world-wide dissemination of information.

One of the principal questions under study in the General Assembly was the proposal by Secretary General Lie for the creation of an 800-man United Nations guard force. The chief use of such a force would be to assist and protect missions and commissions of the United Nations operating all over the world and frequently in the disturbed areas. If a detachment of this proposed force had been in Palestine it is possible that Count Bernadotte would not have been assassinated. If such a body had been in existence last March 18, it is also possible that unarmed United Nations observers would not have been attacked and wounded in Indonesia. As stated by Mr. Lie, this guard force would not be a striking force. It would be recruited by the Secretary General and placed at the disposal of the United Nations. It would be small, but would command respect because it would be backed up by the United Nations. The guards would help protect United Nations personnel and property in areas where law and order is not regularly maintained. It cannot be disputed that such a need exists.

This might mark the beginning of what was advocated by many, including myself, even before the United Nations was finally established, that the United Nations must have a peace force—not a police force, Mr. President, but a peace force. That force should be very small, but devoted to peace, and responsible for areas for which the United Nations is responsible. For instance, if the United Nations has a mandate or if it has the administration of a free city, the United Nations should have the authority to protect its rights in such a place. With a small peace force war can be stopped in many places, because no world war has ever started on a large scale. They have always been started by someone who was outside the bounds of decent international behavior or the rules of ordinary international law. All that is required is a small force. That is proved by the situation in our own States. Governors carry on the affairs of their own States sometimes for two or three terms without being obliged to resort to calling out the National Guard. In fact, the National Guard is not being

called out any more. It has become a federalized institution practically for all purposes. The fact that the force is apparent and can be used in a small way may result in preventing great catastrophes. Everyone now knows that a simple sanction on oil would have stopped Mussolini, because he could not have acted as he did without oil. The nations of the world by sacrificing the right to sell him a little bit of oil could have prevented what later developed into a tremendous and costly war.

A special 14-nation committee was set up to draw up a detailed report on the mechanics of forming such an organization, which will report to the September session. I hope the United Nations peace force does come into existence.

Another controversial matter which was discussed in the Assembly was the question of the trials of Joseph Cardinal Mindszenty and Bulgarian Protestant clergymen—the chief argument centered about whether the subject should be on the agenda at all. The Soviet bloc was uniformly of the opinion that the Assembly had no jurisdiction to discuss the trials. The original sponsors of the investigating move were Bolivia and Australia, who suggested that the Assembly look into the question of observance of human rights in Bulgaria and Hungary. The United States and Britain, on the other hand, preferred to base their complaint on violation by Bulgaria and Hungary of peace-treaty provisions. The Assembly voted, with a large number of abstentions, to conduct a full debate on the Mindszenty case in Hungary and the trials of the Protestant churchmen in Bulgaria. The debate was held, but the Assembly voted to postpone any action in either of the cases until next fall. The resolution did express, however, the Assembly's deep concern at the grave accusations made against the Governments of Bulgaria and Hungary regarding the suppression of human rights and fundamental freedoms of those countries. It also left the issue up to the Americans and the British as signers of the peace treaties with the two accused states, and included the hope that measures will be diligently applied in accordance with the treaties in order to restore respect for human rights and fundamental freedoms of those countries. The resolution reminded both Governments of their treaty obligations and of their duty to cooperate in settling the issue.

Spain also was the subject of considerable discussion during the last session of the Assembly. It will be remembered that in December 1946, the General Assembly passed a resolution censuring the Franco regime, asking United Nations member states to recall their ambassadors and ministers from Madrid, and prohibiting Franco Spain from membership in United Nations organizations. During the closing days of the latest Assembly meeting, a resolution was introduced by the Latin-American bloc which would have, in substance, canceled part of the 1946 resolution and repeated the argument that it was a matter of domestic concern, but the conscience of the world, as expressed through the dele-

gates to the General Assembly, took the position that the abrogation of human rights anywhere was the concern of all. By an overwhelming vote of 47 with only 1 against and 10 abstentions, the Assembly asked the Governments of India, Pakistan, and the Union of South Africa to enter into discussion, too, on the situation, "taking into consideration the purposes and principles of the Charter of the United Nations and the Declaration of Human Rights."

This is one of the first times that the Declaration of Human Rights adopted by the Assembly last December has been cited in an Assembly resolution. This document, developed by the Commission on Human Rights, of which Mrs. Franklin D. Roosevelt is chairman, was a great step forward in the achievement of human rights and will continue to serve as a common standard for the conduct of states.

One of the least noticed but at the same time one of the most important and far-reaching steps taken by the General Assembly was the adoption on April 28 of a series of resolutions looking toward the improvement of the conciliation procedures of the United Nations.

By these resolutions, adopted by the overwhelming majority of the members of the United Nations, the general act of September 26, 1948, was restored to its original effectiveness by gearing it into the United Nations.

The second resolution recommended that the Security Council examine the desirability and utility of adopting a practice whereby, after a dispute has been brought to its attention and before full debate, the President of the Council would appoint a representative of the Council to serve as rapporteur or conciliator to attempt to work out a settlement of the dispute.

In the third resolution the Interim Committee was instructed to give further consideration to the proposed amendments to the rules of procedure of the General Assembly.

Another example of a problem which receives little publicity in the Assembly, but which adds to the difficulties there, is that of languages. The present working languages are English, French, and Spanish. Proposals during the last session to add Russian and Chinese as working languages were deferred for future consideration. Adoption of this proposal would add to the already vast expense of interpreting and translating the languages that are at present spoken and written at the United Nations. Chinese and Russian are already official languages of the organization.

The foregoing have only been a few of the more outstanding questions discussed in the General Assembly during the past 6 weeks. Others may be mentioned briefly.

Settlement of the Indonesian question seemed to have reached an impasse by the time the General Assembly opened on April 5. However, the persistent efforts of the United Nations Commission on Indonesia brought fruit and the General Assembly, after noting the successful outcome of preliminary negotiations between the Dutch and the Indonesians

at Batavia on May 7, voted to postpone discussion of the matter until September.

I am sure that my colleague the Senator from North Carolina [Mr. GRAHAM] who assisted in the early efforts at peaceful settlement, is delighted that the United Nations, reinforced by world public opinion, now seems on the way to bringing peace to that troubled area.

The last resolution approved the creation of a panel for inquiry and conciliation. In the resolution the Assembly noted from its experience the desirability of having qualified persons readily available to assist in peaceful settlement of disputes and situations and invited member states to designate one to five persons to serve as members of commissions of inquiry or conciliation. The Secretary General was directed to take charge of the administrative arrangements connected with the composition and use of the panel.

One cannot overemphasize the importance of these resolutions. The successful functioning of the procedures of both the Security Council and the General Assembly for peaceful settlement of disputes will go a long way toward making stronger action under chapter 7 unnecessary.

After this brief review of the major accomplishments of the recent Assembly session, you will have seen that the delegates who departed last week for their homes over the vast surface of the earth could well afford to be more optimistic than they were 6 weeks before. They had worked hard, and well. These problems were not simple and those attempting to solve them were only human. The attempts were generally made in a spirit of constructive effort, and relatively little was done by representatives in the way of express obstruction.

From time to time representatives did use the international forum of the Assembly as a sounding board for propaganda purposes. We will use it upon such occasions as a sounding board for the challenge of such propaganda. Far from being an impotent debating society, the General Assembly is a melting pot of ideas, a meeting place for the meeting of minds, a superembassy where the representatives of 59 countries are gathered together under one roof—and a supreme world parliament. To the extent that they do debate and argue, sometimes bitterly, always with vigor, they are fulfilling one of the purposes of the organization. Representatives to the General Assembly are supposed to debate. And the more they do so the more and the better they will get to know and understand each other and each other's problems, and the closer we will be toward the permanent peace which we all seek.

HOME RULE FOR THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 1527) to provide for home rule and reorganization in the District of Columbia.

Mrs. SMITH of Maine. Mr. President, I have the privilege of serving on the District of Columbia Committee and the Home Rule Subcommittee with the dis-

tinguished and able Senator from Tennessee [Mr. KEFAUVER]. I take this opportunity to commend him for his interest and his untiring efforts and efficient handling of the home-rule bill.

As a member of the committee I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks pertinent inquiries and answers on the question of home rule for the District of Columbia.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

1. Is home rule for the District of Columbia desirable?

Home rule is desirable for three reasons:

(a) It would relieve Congress as much as possible of the burden of District affairs, without surrendering its constitutional powers;

(b) It would create a democratic and representative form of local government for the District chosen by qualified electors;

(c) It would provide an efficient and economical government for the District of Columbia.

2. Why is the District of Columbia without a vote?

From 1800 to 1874 the people of the District exercised the right of suffrage and self-government in one form or another. On June 20, 1874, primarily because of the dissatisfaction with Boss Shepherd and his autonomous leadership, Congress provided that the District of Columbia should be governed by three Commissioners, appointed by the President. This temporary form of government was made permanent in 1878.

3. Is there a constitutional provision which prohibits home rule in the District of Columbia?

Emphatically not.

(a) Home rule was exercised in the District for 75 years.

(b) By analogy home rule is exercised in the Territories.

4. Do the people of the District want home rule?

From all expressions of opinion available, the people of the District genuinely desire home rule. By polls conducted by the Washington Board of Trade and the Washington Post, the latter as late as 1946, the overwhelming majority of the people voted in favor of such a proposal. Moreover, for what it is worth, a Gallup poll of the United States favored home rule for the District of Columbia.

5. Has either of the two major political parties taken a position on the question of home rule for the District?

Yes. Both the Democratic and the Republican Parties have taken the position that they favor home rule for the District.

6. Is the home rule bill (S. 1527) sponsored by members of both the Democratic and the Republican Parties?

Yes. This bill is sponsored jointly by five Democrats and four Republicans, as follows: Democrats, Senators KEFAUVER, HUNT, McGRATH, MILLER, and NEELY; Republicans, Senators HENDRICKSON, MCCARTHY, SCHOFER, and Mrs. SMITH of Maine.

7. Is congressional control of the District of Columbia retained?

Yes. Congressional control is retained, especially in two provisions:

(a) On matters described as legislative proposals, which before becoming effective, must be submitted to Congress, subject to a concurrent resolution veto, and

(b) Express provisions enabling Congress to change or modify any provisions in the charter or any law enacted by the Council. Moreover, there are numerous other provisions which provide for Federal supervision,

such as post audit by the General Accounting Office, supervision of elections, etc.

8. Does this bill provide for national representation?

No. This bill deals entirely with local home rule. No representation in Congress, either in the form of a Delegate or in the form of elected Senators or Representatives, is provided for in this bill.

9. What is the status of the District of Columbia under this pending bill?

The District is given powers exceeding that of municipal government, but less than that of Territorial legislatures.

10. What form of local government is selected for the District?

A District Council, consisting of 11 members, two of whom are appointed by the President, and 9 elected by the people, form the policy-making body of the government. The District manager is selected by the Council to carry out the executive functions.

11. How are the two members selected by the President?

Two members of the Council are appointed by the President without restrictions, but must be confirmed by the Senate. Their term is a 4-year staggered term.

12. What are the qualifications of the nine elected members of the Council?

(a) Must be qualified electors.

(b) Must reside and be domiciled in the District.

(c) Must hold no other elective public office.

(d) Must hold no appointive office for which compensation is provided out of District funds.

13. What is the compensation of the Council members?

The Council members shall receive compensation at \$5,000 a year, except the chairman, who will receive \$7,500, plus a \$3,000 annual expense account.

14. What powers does the District Council exercise?

(a) All powers presently exercised by the Board of Commissioners.

(b) All powers exercised by the Zoning Commission.

(c) Authority to enact legislative proposals on any subject within the scope of the powers of the Congress presently acting as the legislature for the District.

15. How is the chairman of the Council selected?

The chairman is selected by the full eleven-man Council and may be either an elective or an appointive member. Such chairman holds office for 2 years.

16. What are the duties of the chairman?

(a) He is the presiding officer of the Council.

(b) He is the official spokesman for the District.

(c) He is the head of the District for ceremonial purposes.

17. What are legislative proposals and what are District ordinances?

In general, District ordinances are laws passed which could presently be enacted by the Board of Commissioners. All other matter, which are not subjects of legislation by the Board of Commissioners, but are subjects of legislation falling within the scope of the power of Congress acting in its capacity as legislature for the District, are considered legislative proposals.

18. What is the procedure for legislative proposals being enacted into law?

(a) Must be deposited with Congress.

(b) If Congress does not pass a concurrent resolution disapproving the proposal within 45 calendar days, and

(c) If the President does not veto nor disapprove within 10 additional days, the legislative proposals become law.

(d) Special requirements are made for legislative proposals relating to bonds.

19. How is the District manager appointed, and what determines his compensation?

The District manager is appointed by the Council, with compensation fixed by the Council, and whose term is at the pleasure of the Council.

20. What are the functions of the District manager?

The District manager is the chief executive of the District government, responsible for the carrying out of the policies determined by the District Council. He appoints personnel in the executive departments of the District, and makes recommendations to the Council on matters affecting District affairs.

21. What is the function of the District Council with regard to the budget of the District of Columbia?

(a) Authorizes the preparation and submission of the budget.

(b) Can adopt or reject the budget as submitted.

22. What types of indebtedness does this bill authorize for the District?

(a) Bonded indebtedness.

(b) Short-term borrowing by issuance of notes.

(c) Borrowing through negotiable notes in anticipation of revenues.

23. What is the debt limitations on the District government issuing negotiable bonds to finance capital projects?

Such bonds may be issued in amounts not to exceed 5 percent of the assessed value of the taxable real property in the District.

24. What is the procedure for authorizing a bond issue to finance capital projects?

(a) A legislative proposal must pass the District Council and be submitted to the Congress in due course.

(b) If no disapproval is registered by Congress or the President in the prescribed period of time, the legislative proposal must be submitted to the qualified electors of the District in a referendum.

25. Are provisions included which protect the Government against unsound public finances?

Yes; the bill provides that maximum maturity of bonds shall not exceed 30 years or the period of usefulness of the capital project for which the bonds are issued, whichever is the shorter period. All bonds must be paid off in consecutive annual installments and must be sold at public sale upon sealed proposals. Provision is made for giving notice by publication of the proposed issuance of bonds.

26. Is short-term financing provided for in the bill, and what is its limitations, if any?

(a) This bill authorizes the issuance of short-term notes to meet emergency appropriations.

(b) Stipulates that such notes may not exceed 5 percent of the total appropriations for the current fiscal year.

(c) Such notes shall be paid off not later than the close of the fiscal year following that in which the ordinance authorizing their issuance is enacted.

27. What are the limitations on the District Council borrowing by negotiable notes in anticipation of collection of revenues?

Such borrowing is limited to amounts not exceeding 25 percent of the total anticipated revenues of the budget year, and all such notes must mature and be paid within the budget year in which they are issued.

28. What office of the administration is specifically charged with the financial duties?

The Department of Finance headed by its director, is responsible for the administration of financial affairs of the District.

29. What are some of the principal limitations on the expenditure of funds imposed by this bill?

(a) The bill prohibits any officer of the District from incurring liability in excess of amounts appropriated for any item.

(b) All appropriations lapse at the end of each budget year to the extent that they have not been disbursed or lawfully encumbered.

(c) No contract involving expenditure of appropriations of more than 1 year shall be made for a period of more than 5 years and then only if approved by or made pursuant to an ordinance.

30. What procedure, if any, is established for the payment of Federal agencies performing District functions, and vice versa?

A system has been included whereby estimation and payment are made in advance for such services. Payment of the balance owing to the Federal Government or to the District, as the case may be, for each year will be made on or before July 31 of the fiscal year, reduced or increased by any amount by which estimates of prior years have been in error.

31. Is reorganization of the executive departments necessary and desirable.

Yes. The present form of government developed over a period of years into a maze of some 126 bureaus, departments, commissions, and boards, either wholly or partially performing District functions. Only a handful of such boards are under the full control of the Commissioners, while the rest are subject to varying degrees of control, ranging from administrative control by the Board of Commissioners, to no control. The correction of this governmental hodge-podge will establish a clear line of authority enabling a more economical and efficient administration.

32. What form of reorganization does this bill propose?

Basically, the bill establishes 12 executive departments into which most of the present agencies of the government are consolidated. This plan was the result of intensive research by the Auchincloss home rule committee of last year, and has been adopted in substance.

33. What are the 12 departments?

The 12 departments are: Health, Welfare, Recreation, Public Safety, Finance, Law, Public Works, Libraries, Labor, Commerce, Corrections, and Professional and Occupational Standards.

34. What are the powers of the departmental directors?

With the approval of the district manager, they may—

(a) Reorganize or abolish any agency transferred to his department, and abolish any position (other than a position on a board or commission) transferred to his department.

(b) Fill any vacancy or position transferred to his department.

(c) Remove any member of such board or commission.

35. Who may reorganize or abolish any board or commission transferred to an executive department?

The District Council has this authority.

36. What agencies in the District government do not come under the supervision and management of the District Manager?

(a) Zoning Adjustment Board.

(b) Public Utilities Commission.

(c) Board of Tax Appeals.

(d) Redevelopment Land Agency.

37. How many members are there on the Board of Education and how are they selected?

The Board of Education consists of seven members elected by the qualified electors of the District.

38. What are the powers and duties of the Board of Education?

(a) The functions of the present Board of Education.

(b) Certain functions of the Federal Security Administrator under section 6 of the Vocational Rehabilitation Act relating to vocational rehabilitation in the District.

(c) Appointment of the Superintendent of Schools.

39. What are the qualifications for membership on the Board of Education?

(a) Qualified elector.

(b) Reside and be domiciled in the District.

(c) Hold no other elective public office.

(d) Hold no appointive office for which compensation is provided out of District funds.

40. What is the function of the Board of Elections in the District and how are the members selected?

The Board of Elections supervises and maintains a permanent registry, conducts registrations and elections, determines appeals, counting and distributing ballots, and operates polling places.

Its five members are appointed by the President, without regard to political affiliation, and confirmed by the Senate, for a 6-year term of office.

41. What are the qualifications for a member of the Board of Elections?

(a) Qualified elector.

(b) Reside and be domiciled in the District.

(c) Hold no other office or employment in the District government.

42. How are vacancies in the District Council and the Board of Education filled?

Vacancies on the District Council will be filled by appointment by the President and confirmed by the Senate.

Vacancies on the Board of Education will be filled by appointment by the president of the Board of Education with the approval of the Board.

43. Does this bill provide for election through precincts?

No. All candidates are elected at large by plurality vote.

44. What are the qualifications for voting?

(a) Must have maintained a domicile or place of abode in the District continuously for 1 year prior to the date of election.

(b) Be a citizen of the United States.

(c) Be at least 21 years of age.

(d) Not have been convicted of a felony.

(e) Not be mentally incompetent.

45. Is there any Federal constitutional prohibition against voting in several jurisdictions for local offices?

No. Voting for local offices is determined by the Constitution and laws of the different States; for example, local dual voting is permitted in nearby localities of Cheverly, Md.; Riverdale, Md.; Mount Rainier, Md.; etc.

46. Who are eligible candidates in a District election?

(a) A registered elector is eligible.

(b) Members of Congress and members of the board of elections may not be candidates.

47. How does a candidate become nominated?

(a) On a petition of at least 90 qualified electors.

(b) Filing an affidavit of residence and domicile.

(c) Paying a filing fee.

48. Are elections in the District partisan? No. Elections are nonpartisan, and ballots and voting machines will not show any party affiliation, emblem, or slogan.

49. What is the procedure for contesting an election?

(a) A review of such election may be obtained in the United States District Court for the District of Columbia after certification of the result by the Board of Elections.

50. On what grounds may an election be voided?

Fraud, mistake, or other defect, serious enough to vitiate the election or part thereof as a fair expression of the will of the registered electorate.

51. What provision is made for the application of the Civil Service Act to District employees?

All offices and positions in the District government will be subject to the act. The classified civil-service status will be given to present officers and employees who successfully qualify in appropriate noncompetitive examinations.

52. What preference, if any, will be given to metropolitan area residents?

In the selection of persons for positions in the District government from civil-service registers, the District Manager will give preference to those persons residing in the metropolitan area, and where a special examination is held, such examinations shall be open only to persons who reside in the metropolitan area.

53. Should this home-rule legislation become law, what procedure is set for the effectuation of the objectives?

(a) Five hundred thousand dollars is authorized to be appropriated to the District of Columbia for the establishment of the Charter Referendum Board and the Board of Elections. This amount is to be reimbursed to the United States by the District during the following fiscal year.

(b) The results of a popular referendum to be held November 15, 1949, must show that a majority of the voters favor enactment of this legislation.

54. What are the effective dates of this act? With certain exceptions, this act shall take effect on the day following the date on which it is accepted in the charter referendum, but in no case later than November 22, 1949.

55. Why does the Federal Government contribute to revenues in the District government?

The principal reason for the Federal Government contribution to the District is because of its large holdings which are excluded from taxes, and from the various services which are rendered to the Federal Government for which no charge is made.

56. What is the extent of the Federal contribution?

Under the present law the Federal contribution is limited to a lump sum of \$12,000,000, of which \$1,000,000 is appropriated for the water fund.

57. What is the formula for Federal contribution in this bill?

For every dollar that is derived from local revenues, the Federal Government will contribute an additional 20 cents.

58. What will be the revenue derived from this proposed formula?

General fund for 1949-50.....	\$86,821,000
Highway.....	9,395,000
Water.....	5,195,011
	101,511,011
Special account revenue.....	130,000
	101,641,011

Federal contribution by application of proposed formula, \$20,328,202.20.

59. If the District revenue exceeds its expense, what happens to the excess revenues?

Provision is made for surplus revenues to be set aside to be used exclusively for the construction, repair, and improvement of public schools in the District, which is greatly needed.

60. Is the Federal contribution justified?

Yes; the Federal Government owns more than 51 percent of the land area in the District, from which no tax revenue is obtainable. From the other 49 percent of the land, the District obtained \$31,500,000 in revenue in 1948.

Roughly, on the basis of land area, the Federal Government in contributing \$20,000,000 is not contributing more than its share.

61. What are some of the things the bill does not do?

The bill does not provide for national representation; does not affect the judicial system of the District, and in no way changes the substantive law of the District.

FEDERAL TAX, SPENDING, AND DEBT POLICIES—REFERENDUM AMONG READERS OF OMAHA (NEBR.) WORLD-HERALD

Mr. WHERRY. Mr. President, during the past week thousands of Nebraskans have delivered an overwhelming ultimatum to Nebraska Members of Congress for not only a reduction in current Federal expenditures but also against new spending programs which currently are being urged upon them.

This voluntary referendum has come to Members of the Nebraska congressional delegation in the form of ballots published May 11 in the Omaha World-Herald, which circulates throughout the State of Nebraska and surrounding areas.

The World-Herald ballots invited readers to express themselves for or against a 10-percent cut in all Federal expenditures, subject to adjustment. It also invited its readers to express themselves for or against seven pending governmental programs which would commit the Federal Government to additional expenditures, and on the subject of income and pay-roll taxes.

These ballots were inspired by the warnings, which several of us have been sounding on the Senate floor, that we face the inescapable choice of increasing Federal taxes, resorting again to deficit spending, or reducing Federal expenditures. Particularly was this referendum a response to the stirring speech delivered on this floor on May 6 by the distinguished senior Senator from Virginia, the Honorable HARRY BYRD, on the fiscal situation which presently confronts this country.

In a full page devoted to the Federal fiscal problem, and carrying the ballots to which I refer, the World-Herald stated:

The only way you can influence the amount of Federal taxes you and your children and your grandchildren are going to pay is by telling our Congressman and Senators what you think about tax-consuming proposals. You will pay these proposed taxes directly or indirectly, as the Federal Government hasn't a cent except what it takes from all of us in taxes.

Printed on this page are two ballots. You can vote just how you feel about the administration plans after weighing the cost.

The ballot to the left is for your Congressman. That on the right is for your two Senators.

Vote your opinions and mail one ballot to your Congressman and one to either of your Senators.

Do you believe that you can afford—or that you want—the things listed in the ballots on this page?

Please clip out the ballots, mark them, and mail them today.

Mr. President, as a result of this invitation, my own office has been literally swamped by more than 6,000 marked ballots from persons in every walk of life.

I am advised that the office of my colleague [Mr. BUTLER] has likewise been deluged with an almost equal number of ballots. Heavy response also flowed into the offices of the four Nebraska Members of the House of Representatives. It is my conservative estimate that between ten and twelve thousand readers have expressed themselves to the two Nebraska senatorial offices and an equal number to the offices of the four Nebraska House Members.

Every person participating in the referendum did so on his own initiative. Those people sprang at the opportunity to express their deep concern with Federal spending, Federal tax policies, and Federal debt policies. Each clipped his own ballot, used his own stamp to mail the ballot, and thousands took the further trouble to mail a personal letter expanding their own opinions.

The result of the referendum is so overwhelming in favor of cutting Federal expenditures, and so lopsidedly against increased taxes and against new spending for additional Government programs, that I directed workers in my own office to retabulate the result, for the sake of accuracy.

At this point, I call attention to the exact wording of the ballot and the results of the vote on the eight submitted questions. I am advised that the vote on the ballots I received is in the same ratio as that shown on the ballots received by my colleague, the senior Senator from Nebraska [Mr. BUTLER] and our Nebraska delegation in the House of Representatives.

The ballot and results of the votes cast by the 6,003 persons who mailed their opinions to me are as follows:

How do you feel about—	For	Against
1. A straight 10-percent cut in all Federal expenditures that can be cut?-----	5,869	134
2. Secretary of Agriculture Brannan's farm plan, the cost of which Secretary Brannan himself is unable to estimate? (Senator BYRD did not estimate the cost but others have suggested figures up to \$10,000,000,000 a year for this subsidy)-----	102	5,834
3. The so-called national health plan? (This calls for increased pay-roll taxes. Senator BYRD, referring to it as "socialized medicine," estimated a \$10,000,000,000 annual cost)-----	99	5,828
4. The Federal housing program recently enacted by the Senate? (The cost of the low-rent feature alone amounts to a possible \$20,000,000,000 over 40 years, according to Senator BYRD, even if it is not later expanded)-----	214	5,704
5. Federal aid to education, costing \$300,000,000 the first year? (Senator BYRD does not believe the cost would ever be that low again)-----	514	5,320

6. The ECA program costing \$5,500,000,000 for the coming year? (This is chiefly aid to Europe under the so-called Marshall plan)-----	833	4,927
7. Arms for the North Atlantic Pact, to cost something over \$1,000,000,000 in the coming year? (Mr. BYRD thinks that estimate is too low)-----	980	4,886
8. Increased income and payroll taxes that Senator BYRD says will be necessary to carry out the President's many recommendations for more spending?-----	96	5,876

Replies to question 6 concerning the ECA program were qualified in many cases. Qualifications were tabulated as "for," although a stricter interpretation would reduce the figure considerably. Most qualifications were in the nature of recommendations for reducing the ECA appropriation in amounts ranging from 25 to 50 percent.

Replies to the question about arms for the North Atlantic Pact include a surprising number who favored the pact but opposed the provision of arms assistance to other nations.

In connection with the No. 2 question, in regard to the Brannan farm plan, I should like to call attention to the fact that Nebraska is an agricultural State, and most of our citizens live on farms or in small communities which directly gain their living from the farm.

Mr. President, I urge the closest and most serious attention by the Senate to the overwhelming nature of these votes. In many cases the opinion of more than 6,000 typical Americans is all but unanimous. These ballots came from farmers, from laborers, from housewives, from small-business men, and from professional people. They came from people who pay Federal taxes in nearly every income bracket and from many people who pay nothing at all.

It is not my intention to represent this referendum as a mandate from the American people or as a mandate from the State of Nebraska. But I believe it could be so construed with greater force and with more logic than the claim that a certain recent election with its multitude of overlapping and confused issues was a mandate for any particular legislative action or group of legislative proposals.

It is, I believe, reasonable to assume that the voice of these 6,000 men and women is as fair an expression of Nation-wide thinking as that of any 6,000 persons who might be polled anywhere in the United States.

These ballots prove conclusively that the American people are sorely troubled by the instability of the Federal financial structure. They are saying for themselves what I have been saying for them on the Senate floor, and what the Senator from Virginia [Mr. BYRD] and certain other Senate Members have likewise stated with great force, that we cannot have national security, domestic prosperity, or a peaceful world unless we now

take resolute steps to put our national financial house in order.

Lip service will not provide the remedy. We cannot be for reduced total Federal expenditures on the one hand and for new plans which would increase the total Federal spending obligation. We cannot achieve a balanced Federal budget by cutting everyone else's project but our own.

The votes cast in this referendum, I say point the correct way, the only way, in which we can achieve governmental economy and the balanced budget which our national welfare demands.

Let these splendid Nebraska people tell in their own words why they voted as they did. I read a few excerpts from the letters which came by the bagful during this referendum. These are typical commentaries:

Mr. O. Carter, of Silver Creek, Nebr., asks, "If I, as a businessman, was already in debt for more than I was worth, and still tried to get out of debt by going deeper and deeper in debt, you would say that I was a durned fool—and I would be."

Mrs. John Milton Peters, of Bellevue, Nebr., says, "If these bills are passed, we either increase the amount of taxes we are paying now, or our country will be operating on the biggest deficit it has ever known."

Dr. Maurice D. Frazer, of Lincoln, Nebr., says, "I think it is high time that we retrench Government spending to the bone. It would seem, as the Honorable James Byrnes expressed it, that the nearest thing to immortality on this earth is a Federal bureau."

Mr. W. W. Reed, of Rosalie, Nebr., says, "I am opposed to any additional spending at this time and think we should sit tight and take a cooling-off period to determine just where we are at."

Mr. E. F. Lewis, a small-business man of Omaha, Nebr., says, "We are sick to death of hearing about billions more being appropriated for all sorts of fool things, while we are struggling to equip a small business so that it will be profitable and provide employment for at least 10 people. Tell us how we can improve working conditions, enlarge our plant, raise our employees' wages, and lower the price of our product, with pay-roll taxes increasing and taxes piled on us."

Mr. E. L. Balz, of Fremont, Nebr., "Let us get down to common sense and cut the suit according to the cloth. Stop all new wild and woolly ideas like Secretary of Agriculture Brannan's plan and others. Look into the demands of foreign countries."

Mrs. Henrietta B. Edgerly, of Omaha, Nebr., says, "All this fuss in Washington about taking care of everybody with more taxes and more subsidies seems pretty silly. Doesn't President Truman know that \$200,000,000,000 is a deficit and not a surplus?"

As one Member of the Senate, I am grateful that my people have spoken in so candid and unmistakable language. They have immeasurably fortified me, in the position to which I have worked with all possible consistency. They have renewed my own determination to see this question through to a satisfactory conclusion, and I submit to my fellow Members of the Senate that we have here, in the referendum result which I have just presented, a most valuable example of American thinking. It challenges our ability and demands our utmost attention.

LIQUIDATION OF TRUSTS UNDER TRANSFER AGREEMENTS—MOTION TO RECONSIDER

Mr. JOHNSON of Colorado. Mr. President, on last Monday, May 23, on the call of the calendar of bills to which there was no objection Senate bill 930, Order No. 392, was considered and without objection passed.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 930) to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes.

Mr. JOHNSON of Colorado. Unfortunately, I was not present at the time, and I do not know that I would have identified the purpose of the bill from the description of it. I had some knowledge of the proposal prior to last Monday, but I did not know that this legislation was pending. I did not identify the purposes of the legislation with the bill on the calendar. I therefore call attention to the fact that it was passed without objection. Had I known of the bill and its objectives, I certainly would have objected to its passage. As I say, I did not identify the bill, and therefore did not offer an objection.

I ask unanimous consent to reconsider the vote by which Senate bill 930 was passed.

Mr. SCHOEPPPEL. Mr. President, reserving the right to object, in view of the fact that probably some of the Members vitally interested in certain phases of the matter might not have the opportunity to present argument, if they desire to do so, in opposition to the request of the distinguished Senator from Colorado, I should like to ask if those who were interested in sponsoring the bill have been notified that the motion to reconsider would be made?

Mr. JOHNSON of Colorado. No, they have not. As I have already stated, the bill passed by unanimous consent, and certainly I would have opposed it had I known it was going to pass. The only recourse I have now is to ask for a reconsideration. That is the only way I can voice my opposition to it, and that is what I am doing.

I realize I must have unanimous consent to make such a motion at the present time, because a period of 3 days has elapsed since the passage of the bill, and the only way I can obtain reconsideration is by requesting unanimous consent for its reconsideration. I hope the Senator will not object to it. I realize the strength of the argument he makes, that perhaps if all the Senators were present some one of them might object to reconsideration of the bill. But I think as a matter of fair play, a bill on the consent calendar ought to be passed only with the unanimous consent of the Senate. That is the spirit in which we pass bills by unanimous consent. For that reason, even though I may be a little late, I still make the request and do what I can at this time to have the bill

reconsidered. It may be that I do not fully understand the bill, its purposes, or the effectiveness of its language. It may be that if I had a further explanation from its sponsors I might be convinced the bill should pass, or that perhaps amendments could be perfected which would make it satisfactory to me. Of course, if there is objection to my request there is nothing I can do about it.

Mr. SCHOEPPPEL. Mr. President, reserving the right to object, I do not want to be so presumptuous as to indicate positively that I shall object, but I think, in fairness to Senators who may not know of the position which the Senator from Colorado is now taking, we should have some indication as to the reason for the position he takes at this time.

Mr. JOHNSON of Colorado. First, I want to say to the Senator that the bill was passed in my absence. If it was passed in the absence of some other Senators, they are at least receiving the same consideration I received and which I should expect to receive when I am not present to object.

Mr. SCHOEPPPEL. I may say to the distinguished Senator from Colorado that I shall not object, but I want to know what the basic reasons are which the Senator has in mind.

Mr. JOHNSON of Colorado. My reason is that, as I understand the bill, it proposes to turn over to the States \$52,000,000 which really belongs to the United States Government. It may be that the States should have the money. It was turned over to them once, through a technicality, for rehabilitation purposes during the depression, but through some technicality, the money did not go to the States. My purpose is to have a full explanation and a full consideration of the bill. That is what I am seeking. The only way I can do it is to proceed in the way in which I am proceeding.

Mr. SCHOEPPPEL. I withdraw any objection I have.

Mr. JOHNSON of Colorado. Mr. President, I renew my request for unanimous consent to enter a motion to reconsider the vote by which Senate bill 930 was passed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado? The Chair hears none, and the motion to reconsider will be entered.

Mr. JOHNSON of Colorado. Mr. President, I now move that the House of Representatives be requested to return the bill to the Senate.

The PRESIDING OFFICER. The question is on the motion of the Senator from Colorado.

The motion was agreed to.

HOME RULE FOR THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 1527) to provide for home rule and reorganization in the District of Columbia.

Mr. HOLLAND. Mr. President, I wish to address myself briefly to the important subject—and I think it is a highly important subject—presented by the pend-

ing District home rule bill, the Kefauver bill, which is entitled to a great deal more consideration than it is apparently receiving, when one looks over the Senate Chamber at this time.

Mr. President, this bill involves a highly important question of essential civil rights applicable not only to the approximately 900,000 citizens of the District of Columbia, but applicable to many other persons who will come here in the future and remain for a season and make themselves, to all intents and purposes, a part of this community. Here they find themselves denied the advantages given to citizens in every other American city and community in our Nation, namely, the right of home rule, the right of determining by their own votes who shall serve as the members of their municipal executive body, and as the members of their executive school body, and who, in short, shall be, to them, representatives of a government which is their government, and who will be answerable and responsive to them and their wishes, just as those who reside in other communities of the Nation expect their locally elected municipal and school officials to be responsive and answerable to the will of the citizens of those various communities, embracing every community in the Nation, except the District of Columbia, in which there reside approximately 900,000 American citizens.

In the first place, I wish to invite attention to the fact that the question of civil rights—and that is what it is—does not come up because it was given no attention by the founding fathers, but it comes up, instead, because of the fact that, for purposes which are perfectly clear, if we examine the RECORD of 1873 and 1874, but which are not at all good purposes at this time, the Congress, in the year 1874, saw fit to take away from the then residents of the District of Columbia the local franchise and suffrage which they had enjoyed without interruption since 1802, when the District began to operate under what was then called a charter, which was passed by the Congress 2 years after the District was created and began to function.

Mr. President, there is no doubt about the fact that the Founding Fathers intended the people of the Federal District to have local self-government and all of the rights and duties which pertain to local self-government, because Madison, who knew more about the Constitution than did any other one individual, said so in so many words in the forty-third paper of that collection of papers called *The Federalist*, which was published during the time that the Constitution was being considered, in 1787, by the Thirteen Original States.

I shall not quote at length from this paper, but I shall quote enough to make perfectly clear what Mr. Madison, speaking with the authority that he alone could have because of his intimate knowledge of what had transpired at the Philadelphia Convention of 1787, said on this subject. He had been talking about the establishment of the District as a whole

and the fact that there should be no trouble in connection with it, that the State ceding it would have agreed to the cession before the District could be established, that the Federal Government could not merely take it, that the local inhabitants would have participated in the election of the legislature and the governor at the time, and that no doubt the State would provide in the compact of cession for the retention of the rights of citizenship by those residents of the area which should become a Federal District, the District of Columbia. Speaking of the democratic nature of the procedure and the reasons why the setting up of the District would be thoroughly satisfactory to the inhabitants he gave these reasons, namely:

As they will have had—

He is speaking of the residents of the District—

As they will have had their voice in the election of the government which is to exercise authority over them—

He is speaking there of the State government which makes the cession—and continuing—

as a municipal legislature for local purposes, derived from their own suffrages, will, of course, be allowed them.

I shall not continue to quote from the article. I reread that last short quotation:

as a municipal legislature for local purposes, derived from their own suffrages, will, of course, be allowed them.

Mr. President, without commenting in detail at all I think it is abundantly clear that Mr. Madison stated and that the founding fathers intended beyond any peradventure of doubt that a local legislative body elected by the votes of the people who should be from time to time residents and citizens of this District should continue to exist, and should continue to have the power of passing local government.

In 1874 another system was set up. I think that the mere fact that it was set up, and that it has functioned with varied success from that time, is by no means a sufficient reason for permitting us to continue to neglect what was a primary conception of the founding fathers of our Nation in connection with the rights, privileges and duties of the residents of the Federal district at the time they drafted and submitted the Federal Constitution.

Mr. President, I call attention to the fact that we who come from other areas consider it as entirely essential to having any degree of democracy, any degree of republican government whatever, to have for ourselves the privileges and the rights, as well as the duties and responsibilities, of local citizenship, under which we claim as a first right the matter of choosing for ourselves and from among our own number those who shall make our local laws and regulations, those who shall administer our local public business, and those who shall have to do with the administration of the school system for our local area.

In the case of the District of Columbia there is a peculiar situation, in that the District partakes of the nature of a State, partakes of the nature of a county, partakes of the nature of a school district, and also partakes of the nature of a municipality. As I see it, we cannot continue longer to deprive citizens of this area of the right to exercise over themselves, through citizens of their own selection, the ordinary powers of local government, at all levels, from State government down to municipal government, which are taken for granted in every other place in this Nation. I think we cannot safely do it for a great many reasons, one of which is that I believe that the attitude of the citizens here themselves is getting to be lackadaisical, is getting to be such that they pay little attention to too many of the important aspects of their local government, too little attention to the economy of local government.

Mr. President, I say this without any disagreeable implications, but I have been surprised and somewhat shocked to find that excellent citizens and fine people in this area have apparently no concern whatever in this question, but instead are much more concerned with whether the gasoline tax is to be 3 cents, 4 cents, or 5 cents, or whether one privilege or another which they cherish will be allowed to them. There is too little importance attached in the area itself to this vital question, and the reason is that since 1874 the people here have become more and more accustomed to a government in which they have no say and no responsibility, and are therefore more acquiescent to the continuation of a condition which we know is not a good or sound or wholesome or democratic condition.

Mr. President, there are several aspects of this question which concern me, first, from the standpoint of the citizens of the District themselves. I have touched on this point, but I want to expand on it briefly. It seems to me that the present situation, with its complete absence of responsibility in the individual citizen, necessarily breeds lack of interest, lack of pride, lack of information, as to the details of the local government and too often lack of confidence in and respect for the two local governments which are closest to the residents of the District of Columbia, and have most to do with their daily lives, and with the rendition of those services which mean most to them and to their families.

The services of the city and of the school district include, among other things, police and fire protection, sanitation, public health, public safety, public welfare, and public education. Such a system, to my way of thinking, is very bad for the citizens themselves, and I think I need do no more than state what is known to the Presiding Officer and to each of the small number of Senators present, that too few of the citizens here have any interest whatever in their government, that the condition is drifting from bad to worse, and cannot be expected to do other than to continue to

drift to still worse conditions under the present system.

Mr. President, it is common knowledge, it is common talk, that there are committed in the District an exceedingly large number of crimes of certain kinds, a much greater number than occurs, for instance, in the nearby cities of Baltimore and Richmond, where much the same situation exists with reference to the composition of the population of those two fine cities. The answer of course is the lack of interest on the part of the citizens themselves in their local government, knowledge of the fact that that government is too often not responsive to them because it is not answerable to them, in the sense that the members of other local governments have to come periodically, from year to year, or at frequent periods, before their own citizens for approval or disapproval of the performance of their official trust.

Mr. President, from the standpoint of the attitude of the public employees and the public services, this system is a bad system. These employees and services cannot be and they are not responsible to the will and the legitimate requests of citizens of the District as they would be under a system of representative government which would allow the citizens the right and put upon them the responsibility of selecting the key officials who would have direct control and supervision over the District employees and services.

Mr. President, I wonder if there is a single citizen of this District who thinks that he receives the same kind of consideration, and has the same sort of attitude manifested toward him by the public employees in this District, as is manifested toward a Member of the Congress of the United States. Unhappily, it is a fact, as stated to me not once, but many, many times by citizens of the District in both high and low places, that they realize that the essential services of the District and the personnel of the District are not always, but are in many instances, unresponsive to the needs of the average citizen. The reason is that the District employees know that those who are immediately over them are not selected by the average citizen, that the average citizen has nothing at all to do with whether or not they shall continue in the position of membership on the Board of Commissioners or membership on the school board.

Many citizens in the District have told me that they have not permitted their children to attend the District schools, and that the reason for that is the lack of personal interest in the District schools, the lack of personal responsiveness in the District schools, the lack of that degree of interest and responsiveness which would occur and does occur in those American communities where the teachers are selected by officials who in turn are answerable to and selected periodically by the citizens themselves.

Mr. President, from the standpoint of giving to local needs of the District that immediate and careful attention which they deserve and require, this system is a bad one, because every Senator and

every Representative has to give primary attention to the needs of the people of his own State or district, who elect him, as well as to the pressing needs of the Nation as a whole, and the District and its needs are bound to come last, and too often have come at long last. It is only human nature that Senators and Representatives will give first importance to those matters that touch primarily the people whom they represent and who select them to come here.

It is a sad commentary, Mr. President, that the burdens imposed upon every Senator and every Representative are so great, that they make so many demands upon the strength and the energy of every Member of the Congress, that he cannot possibly do everything he would like to do. Senators know perfectly well that every member of the District Committees, at least since I have been here, both in the Senate and in the House, likes to give just as good service to the District Committee as he does to any other cause, but he cannot possibly do it because of the pressure of business, because of the fact that he cannot attend to it all, and the fact that necessarily he has to give primary attention to those matters which come up from his own people or his own State, or those pressing national matters which are now taking and will continue to take a large part of the time of all Members of the Congress.

There is another point I want to make, and that is that from the standpoint of the Senators' own ability to stand up under the problems with which they have to deal, and to do the job they would like to do, they find it impossible—and I am sure this also prevails in the other House—to stand up under the tremendous amount of detail of petty things which under the present system fall upon and require the services of the members of the District Committee.

Mr. President, you know as well as I the large number of inconsequential things, matters which are not substantial, which have come before this body in the time during which we have served here together. You know that they have run through such a list of various matters that we could for 5 minutes recite the kind of things which have been happening and which have taken precious time of those Members who have been assigned to the committees, and also much time on the floor. I am talking about such things as the matter of determining, as we did last session, whether or not mixed boxing bouts should be permitted in the District of Columbia; whether or not it was to the public interest and to be required in the public necessity to remove from one of the streets near the White House a couple of ancient stone columns which had been there for a great many years; the question of what kind of treatment we should accord to the starlings which come here to roost upon the Federal buildings during the cold weather. A good bit of time was given to that very vital question.

Also much time was given to the equally vital question of whether or not those who sell bottled soft drinks within

the District of Columbia should be required to furnish straws to their customers; the question of whether or not the members of the barber board should have certain powers, and whether or not barbers serving at their trade within the District of Columbia should be permitted to work a certain number of hours and no longer.

We also gave much time to changing the names of streets, and the question of deciding whether or not a little improvement like a spur line of a railroad should be allowed to come in on a certain alley.

The question came before us last year of deciding how many television towers should be in the District of Columbia, and at what kind of spots they should be located.

A question which has taken many hours of time of a very fine and devoted District Committee in the last week or two is the question of how we shall dispose of the stray dogs from the District pound.

Mr. President, maybe it is sound government to continue to encumber the mind, the time, the energy, the strength of the men and women who comprise the Members of the Congress of the United States with that kind of detail, with that kind of unsubstantial public business, but I think it is very bad democracy, and it is very bad government so to encumber our docket here and to take away our chance, and our opportunity, by that amount of time, to deal with other matters, pressing matters, of vital and of general importance.

Mr. President, I expect to speak at some length, on this matter on Tuesday next. I did want to make these remarks this afternoon and to say this further, that I want to speak with complete approval of the very fine service which has been rendered by the chairman of the subcommittee, the Senator from Tennessee [Mr. KEFAUVER], by the chairman of the full committee, the Senator from Rhode Island [Mr. McGRATH], by all other members of the District Committee in pressing, in urging, in insisting upon the consideration of this matter, which I think is vital and fundamental. I think that unless we pass it we are going to find ourselves bogged down more and more in the maze of inconsequential public business which here in the District of Columbia comprises the same field as that which would be handled in the city's business, in the school board's business, in the county's business, in the State's business, in any other jurisdiction in this Nation.

I hope that the Congress will pass this measure speedily, and I believe that its passage will result in the doing of very great good in the cause of better and more effective government here in the District. I think and hope we will see a revival of interest in public affairs in the District of Columbia, constituting now 900,000 people, soon to be over a million—a revival of interest in public affairs which in itself will be distinctly worth while.

Mr. TAFT. Mr. President, I want to say a word or two in behalf of the bill which is now before the Senate. Washington is a great city, one of the greatest cities in the United States, a city of 900,000 people, and a city which has the same qualification for local home rule as has any other city in the United States.

I have perhaps a special interest in it because I have lived in the city of Washington for about 20 years altogether, counting the four or five times I have moved in and out of the city of Washington, and I have during all that time regarded the government situation as exceedingly anomalous. Here is a city in which Americans are born and grow up without any right of home rule whatsoever, without any right to participate in the government which controls their daily affairs and has to do with their daily lives. I myself believe that local self-government is almost as important to liberty as is National Government.

I do not believe we can have real freedom in this country without local self government and the right of people to determine the matters which affect them in their daily lives, such as the administration of their schools, the condition of their streets, their various public services, and other things in which every community has a vital interest.

Mr. President, I do not know why the people of Washington were left without the right to vote under the original Constitution. It has often occurred to me that perhaps the experience of mob influence in capital cities such as London and Paris throughout history led our forefathers to believe that the people of Washington should not have the vote which would enable them, by reason of their proximity to the seat of government, to exert a strong influence on the government itself.

Whatever may be the reasons why they were not accorded under the Constitution the right to vote for the Members of Congress and for President, those reasons do not apply to their right to govern themselves in their own local affairs. Certainly the fact that they not only are not governing themselves, but are governed by a body which has no interest in their welfare, or, at least, has no time to take an interest in their welfare, is another reason why the present system is completely unsatisfactory. Congress is simply unable to give its attention to the most vital concerns of the District of Columbia. It is only by happy chance that we are even able to consider this particular bill which affects the entire structure of the Government of the District of Columbia. It is very seldom that any District bill about which there is the slightest controversy can secure attention on the floor of the United States Senate.

The District is governed largely by the District Committee; but the members of that committee are unable to give very much time and attention to District affairs. Such affairs cannot be their first interest or their second interest among the matters which come before them. I see no logical reason why the people of

a city the size of Washington should not govern their own affairs. Therefore I feel very strongly that we should adopt a system of home rule for the District of Columbia. I have always felt so, and tried at every opportunity to promote that idea.

I have taken a particular interest in this bill, because if we are to have a city government, we want to have the best possible city government. The bill provides for a city council of 11 members, 9 of whom are to be elected at large, and for a city manager. I think those who have had to do with municipal governments have felt that the city manager form of government has been successful, that it is sound in principle, and that the principle of a small council elected at large is probably the best method of obtaining the proper treatment of the legislative problem.

There is, of course, a danger in any city government. Our experience throughout the history of the United States has not always been very happy with city governments. A city government is a small group elected from among the people. No great attention is centered on the character of those who are elected. Under the ward system very little attention is paid to the character of a man chosen from a small ward. The fact that members of the council are to be elected at large is an improvement, because at least they must appeal to the entire electorate. Therefore they must be men of some standing in the entire community to be successful. By that method we obtain a better type of men, and we center more public attention on those men and on what they are doing. Still there is danger, and always has been, I think, that a single group or gang may get control of a city and engage in some of the practices which we have seen in times past in various American cities.

Under this proposal I think we do what we can to avoid such a situation. In the first place, the nine men are not elected at one time. Five of them are elected for a 4-year term, and four others are elected 2 years later. Still, they may all be controlled by the same party or by the same organization, although I believe that in an election at large it is likely that at least one dissenter will be elected each time among the total number of those who are elected, no matter how large the majority for the successful group may be.

I suggested—and I think it is a wise provision—that there should be added to the council two men appointed by the President of the United States. The United States Government certainly has a very special and peculiar interest in the District of Columbia, a situation which does not exist in any other city in the United States. The Federal Government has an interest in seeing that the city government is satisfactory. I think the United States Government should have a voice—though not a prevailing voice—in the administration of the city.

In the second place, the two men appointed by the President can act as

watch-dogs in case the elective process does not operate satisfactorily. Two men will always be on guard as a minority if the group in control starts in the wrong direction or attempts to do things which it should not do. Those two men can at least direct public attention to what is going on, and present the views of a loyal opposition on municipal problems. So I believe that that addition assures a council which will be safe and upon which public attention will be centered, as well as a council which will not be able to do things in secret or apart from the general knowledge of the people of the community.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. THYE in the chair). Does the Senator from Ohio yield to the Senator from Wyoming?

Mr. TAFT. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. In connection with what the Senator from Ohio has said, one of the provisions of the bill which has elicited my approval is title IV, by which every legislative proposal of the council must first be deposited with the Congress of the United States, thus providing what seems to me to be an ample check against the abuses which have sometimes arisen in other communities.

Mr. TAFT. I think the Senator is correct. That is a very useful safeguard, and one which I take it is required by the constitutional provision giving Congress the right to exercise exclusive legislative authority in all cases over the District of Columbia. We cannot divest ourselves entirely of that right. We must exercise some supervision over the District.

Mr. O'MAHONEY. Having served for many years as a member of the District of Columbia Appropriations Subcommittee, I have had many personal experiences with respect to the sad deficiencies which arise from the fact that the people of the District do not have the power to exercise self-governing authority over the normal housekeeping activities of city government. I feel that under the provisions of this bill they will have the opportunity to exercise such authority in a manner which will redound to the benefit of the community, the Capital of the Nation.

Mr. TAFT. Mr. President, I invite attention to one further feature of the bill. I refer to the provision which gives the municipal council the right to borrow money for capital improvements. That right exists in every other city. I was somewhat concerned by the rather broad power given in the first draft. The bill has now been amended so as to provide very definite limitations on the right to borrow. Bonds cannot be sold without submitting them to the public for approval by a majority vote at an election. The bonds which are issued must be issued in installments, so that they will be paid off during the life of the improvement. They cannot be for a longer period than 30 years, nor for a longer period

than the life of the particular improvement, which must be certified.

The bonds must be sold at public sale on sealed bids. So we have the usual precautions which are now customary in connection with municipal bonds. It is obvious that when the bonds are issued they will have interest and retirement charges, which will add to the tax rate of the District. I suggested that in the referendum ballot attention might be called to how much the tax rate would be increased by the issue of bonds. However, that suggestion was not adopted.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HOLLAND. In connection with the vital matter of borrowing, which in a sense is encumbering or mortgaging the future of the District and the property in the District, does not the Senator feel that this is something which peculiarly should be entrusted only to officers elected by the citizens who are affected, and that the operation should be surrounded by safeguards so that it can be conducted only after the approving vote of the citizens affected?

Mr. TAFT. I think that is a very wise provision. Yet I believe that the right to borrow for public improvements is a perfectly proper distribution of costs over the generation to come, who will have the full use of such improvements. The danger we wish to avoid in the issuance of bonds is that of having the people still paying for the bonds when there is no longer any improvement. That has happened in a good many American cities in the past. Gradually they came to adopt the kind of provision which is in the bill, which limits the period of the bonds to the life of the improvement, and requires that they be paid off year by year, so that the people will not find, when the improvement is being torn down or replaced by another structure, that they owe a debt which has not been paid off, and which must be refunded.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. KEFAUVER. Before asking my question, I wish to make a statement. In considering this bill the subcommittee found that the distinguished senior Senator from Ohio had been studying the problem for a long time, that he was sympathetic with the idea, and that he had given this particular proposal a great deal of consideration. We are grateful to the Senator from Ohio for coming before the committee and giving us the benefit of several very useful suggestions, which I think have greatly improved the bill.

As the Senator from Ohio has stated, his first suggestion was with respect to two members of the council to be appointed by the President, by and with the consent of the Senate. Another was the provision for the election commission. The provision in the original bill was that the election commission should be named by the council. The Senator

from Ohio pointed out that an additional protection to the city and to the Federal Government would be to have members of the election commission named by the President, by and with the advice and consent of the Senate; and that provision was adopted. All the very helpful and useful suggestions made by the Senator from Ohio in connection with the financial operations of the city—the borrowing of money, and so forth—were considered by the subcommittee and were incorporated in the bill, with the exception of the one the Senator suggested in regard to having on the referendum ballot in the case of proposed bond issues, a statement setting forth the amount of tax increase which would have to be imposed in the event the bonds were issued. We tried to work out some way of handling that matter; but the income of the District of Columbia comes from so many different kinds of taxes and so many different sources that we were unable to determine any way which would give an intelligent picture, as it seemed to us, of the amount of tax increase which a bond issue would require.

Mr. TAFT. Mr. President, I do not at all insist upon that suggestion.

We have to have such an arrangement in Ohio, so I was interested in it; but in Ohio we have a tax limitation, and the effect of placing such a statement on the referendum ballot would be to indicate whether the bond issue would increase the rate beyond the tax limitation. So in Ohio we have a special reason for it. But I see no reason why such a provision should be included in the pending bill.

Mr. President, I have no more to say, except that if we wish to make a real improvement in the government of this city, the Capital City of the United States of America—which should be a model city for the entire Nation, although it has not been—it seems to me that this bill will bring about that result, and is well worked out to accomplish its purpose.

Mr. President, I feel very strongly that the bill should be passed by the Senate and by the House of Representatives.

EXECUTIVE SESSION

Mr. KEFAUVER. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. Long in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Finance:

Addington B. Campbell, of Port Norris, N. J., to be collector of internal revenue for the first district of New Jersey, in place of Harry L. Maloney, deceased;

Leo E. Trombly, of Altona, N. Y., to be collector of customs for customs collection district No. 7, with headquarters at Ogdensburg, N. Y.;

Richard W. McSpedon, of Yonkers, N. Y., to be surveyor of customs in customs collection district No. 10, with headquarters at New York, N. Y., to fill an existing vacancy; and

Clara E. Sarvela, of Duluth, Minn., to be collector of customs for customs collection district No. 36, with headquarters at Duluth, Minn.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES MARITIME COMMISSION

The legislative clerk read the nomination of Maj. Gen. Philip B. Fleming, United States Army, retired, to be a member of the United States Maritime Commission for the term expiring April 15, 1952.

Mr. KEFAUVER. Mr. President, I understand that yesterday a request was made that the nomination be passed over. However, I do not believe there is any present request that it be passed over further.

Mr. WHERRY. Mr. President, yesterday I asked that the nomination of Maj. Gen. Philip B. Fleming, United States Army, retired, to be a member of the Maritime Commission, be passed over. However, it is perfectly agreeable to have the nomination confirmed at this time. There is no objection.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FEDERAL POWER COMMISSION— NOMINATION PASSED OVER

The legislative clerk read the nomination of Thomas Chalmers Buchanan, of Pennsylvania, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1952.

Mr. WHERRY. Mr. President, I ask that this nomination be passed over until the next call of the Executive Calendar.

The PRESIDING OFFICER. Without objection, the nomination will be passed over until the next call of the Executive Calendar.

Mr. KEFAUVER. Mr. President, I believe the Senator from Kansas, and perhaps other Senators, are opposed to the confirmation of the nomination.

Mr. WHERRY. Mr. President, I am quite satisfied that the Senator from Kansas [Mr. SCHOEPP], who at that time was acting minority leader, was requested by a colleague to ask that the nomination go over until next Tuesday.

My feeling is that by that time, possibly, the situation will be ironed out.

Mr. KEFAUVER. Yes; I think so.

Mr. WHERRY. But until that happens, I respectfully request that the nomination be passed over.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

Mr. SCHOEPP. Mr. President, in reference to the statement made by the distinguished Senator from Nebraska and the statement made by the distinguished Senator from Tennessee, I merely wish to say that the statement the Senator from Nebraska has made of the situation regarding the nomination is correct.

Mr. WHERRY. Yes; it is correct, I am sure. I wish to make the RECORD unmistakably clear that the Senator from Kansas was, in that connection, acting as minority leader, and that I had asked him to see that the nomination was passed over, but that was at the request of another colleague.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith of the confirmation of the nomination of Maj. Gen. Philip B. Fleming.

That completes the Executive Calendar.

RECESS UNTIL TUESDAY

Mr. KEFAUVER. Mr. President, I now move that the Senate stand in recess until 12 o'clock noon on Tuesday next.

The motion was agreed to; and (at 5 o'clock and 36 minutes p. m.) the Senate took a recess until Tuesday, May 31, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 27 (legislative day of May 23), 1949:

DEPARTMENT OF STATE

The following-named persons to be Assistant Secretaries of State:

W. Walton Butterworth, of Louisiana.
John D. Hickerson, of Texas.
George C. McGhee, of Texas.
Edward G. Miller, Jr., of New York.
George W. Perkins, of New York.
George F. Kennan, of Wisconsin, to be Counselor of the Department of State.
Adrian S. Fisher, of Tennessee, to be Legal Adviser of the Department of State.

IN THE MARINE CORPS

The following-named officers for appointment to the permanent grade of brigadier general in the Marine Corps:

William O. Brice Ivan W. Miller
Vernon E. Megee Fred S. Robillard

The following-named officers for appointment to the temporary grade of brigadier general in the Marine Corps:

William S. Fellers
Edwin A. Pollack
William J. Whaling

The following-named officer for appointment to the permanent grade of colonel in the Marine Corps:

Frederick L. Wieseman

The following-named officers for appointment to the temporary grade of major in the Marine Corps:

Dorn E. Arnold	James G. Petrie
Roy E. Hagerdon	Evard J. Snell
Albert C. Hartkopf	Harold E. Swain
Raymond H. Leeper	George W. Torbert

The following-named officers for appointment to the temporary grade of captain in the Marine Corps:

Gus C. Daskalakis	Harley L. Grant
Robert H. Fore	George Kross

The following-named officers for appointment to the permanent grade of major for limited duty in the Marine Corps:

George K. Acker	Frederick O'Connor
Harry D. Hargrave	Vernon A. Tuson

The following-named officer for appointment to the permanent grade of captain for limited duty in the Marine Corps:

William G. Reid

The following-named officers for appointment to the permanent grade of first lieutenant for limited duty in the Marine Corps:

Edgar S. Hamilton
John C. Hudock
David R. McGrew, Jr.

The following-named officers for appointment to the permanent grade of second lieutenant for limited duty in the Marine Corps:

Harold Bartlett	Richard F. Henderson
Robert E. Boze	Henry S. Jozwicki
Irving F. Buckland	Robert D. Leach
Roger D. Buckley	Harry N. McCutcheon
Herbert G. Cantrell	Calvin C. Miles III
Henry T. Dawes	Derilas A. Moore
William M. Dwigings	James M. Riley, Jr.
Ewing B. Harvey	

The following-named midshipmen for appointment to the permanent grade of second lieutenant in the Marine Corps:

Samuel P. Gardner
Nick J. Kapetan
Richard S. McCutchen

The following-named citizens (Contract NROTC students) for appointment to the permanent grade of second lieutenant in the Marine Corps:

Robert L. Lockhart, a citizen of Massachusetts.

Theodore R. Wall, a citizen of North Carolina.

The following-named officer (former enlisted man) for appointment to the permanent grade of second lieutenant in the Marine Corps:

Fredric W. Golles, Jr.

CONFIRMATION

Executive nomination confirmed by the Senate May 27 (legislative day of May 23), 1949:

UNITED STATES MARITIME COMMISSION

Maj. Gen. Philip B. Fleming, United States Army, retired, to be a member of the United States Maritime Commission for the term expiring April 15, 1955.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 27, 1949

The House met at 12 o'clock noon.

Rev. Joseph Joshua Mundell, of Greensboro, N. C., offered the following prayer:

O God, the First Person of the Blessed Trinity, through Thy mercy and justice,

descend Thy gifts and graces upon the ladies and gentlemen of this House that they may lead us, the people of the United States of America, in peace through all days. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 1057. An act for the relief of John Keith.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1843. An act to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility; and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 714) entitled "An act to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. HOLLAND, Mr. CHAPMAN, Mr. CAIN, and Mr. MARTIN to be the conferees on the part of the Senate.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 230, Rept. No. 693), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4754) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Expenditures in the Executive Departments, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may

have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PECOS RIVER COMPACT

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3334) to grant the consent of the United States to the Pecos River compact, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Amend the title so as to read: "An act to grant the consent of Congress to the Pecos River compact."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. ARENDS. Mr. Speaker, reserving the right to object, will the gentleman from Florida explain the amendment?

Mr. PETERSON. This bill was passed by the House and by the other body. The other body struck out the words "United States" and inserted the word "Congress." The Constitution uses the word "Congress"; therefore the other body is correct.

Mr. ARENDS. In other words, it is a technical improvement.

Mr. PETERSON. A technical improvement; that is correct.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. PETERSON]?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ANNUAL ASSESSMENT WORK ON MINING CLAIMS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian, July 1, 1949, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Florida? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ENGLE of California, MURDOCK, REGAN, LEMKE, and BARRETT of Wyoming.

CONSTRUCTION OF FEDERAL PUBLIC BUILDINGS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the Dis-

trict of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, with amendments of the House thereto, insist upon the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WHITTINGTON, BUCKLEY of New York, LARCADE, DONDERO, and ANGELL.

EXTENSION OF REMARKS

Mr. HELLER (at the request of Mr. O'TOOLE) was given permission to extend his remarks in the RECORD in five instances.

Mr. KEOGH (at the request of Mr. O'TOOLE) was given permission to extend his remarks in the RECORD and include an address by Commissioner Carson.

Mr. SIKES asked and was given permission to extend his remarks in the RECORD and include certain editorials.

Mr. GOSSETT asked and was given permission to extend his remarks in the RECORD and include certain excerpts and editorials.

Mr. TEAGUE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. THOMPSON asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. DAVIS of Tennessee asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. MITCHELL asked and was given permission to extend his remarks in the RECORD and include a speech by Hon. CHASE GOING WOODHOUSE.

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include articles in reference to the TVA and the Columbia Valley Authority, which appeared in the Portland Oregonian. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost \$1,293.75, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that after the disposition of business on the Speaker's table and the conclusion of special orders heretofore granted, I may address the House for 10 minutes today.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. STEED asked and was given permission to extend his remarks in the RECORD and include an article on flood control.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. JACKSON of Washington asked and was given permission to extend his remarks in the RECORD and include an address by Mr. L. J. Richardson, president of the Public Utilities Commission Association.

ALASKA SHIPPING

Mr. JACKSON of Washington. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks and include certain material from the United States Maritime Commission.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JACKSON of Washington. Mr. Speaker, in the first session of the Eightieth Congress, I sponsored an Interim Shipping Act known as Public Law 12, which became effective March 7, 1947, and expired on June 30, 1948.

The purpose of this legislation was twofold. First, since the economy of the Territory of Alaska is so largely dependent on the cost of transportation into the territory, the law provided a temporary subsidy by making ships available to operating companies at a dollar a year in order that freight rates might be consistent with a healthy Alaskan economy. Second, because shipping to Alaska had theretofore been largely conducted during abnormal wartime conditions, the act was to provide a period of time in which an accurate study could be made of the costs of operation of shipping companies under the agreement. It was hoped that the study would provide a yardstick for the preparation of permanent legislation.

In furtherance of these two purposes, the Maritime Commission was required, under section 2 of the law, "to report to the Congress at intervals of not greater than 90 days all contracts, charters, and other arrangements entered into pursuant to this act, and the details and source of all operations which have been conducted thereunder."

In my opinion, the Commission did not comply fully with the letter, and certainly not with the spirit of this provision of the law. They failed to report to the Congress regularly and adequately the over-all operating conditions of the companies under the act. Their reports told primarily of the arrivals and departures of their ships, which did not provide adequately, in my opinion, the yardstick which the Congress was looking for.

The operating companies under the act have been the Alaska Transportation Co.,

the Alaska Steamship Co., the Northland Transportation Co., and the Santa Ana Steamship Co.

For over a year, I have been making repeated requests of the Maritime Commission for a detailed accounting of the business activities of these four companies. Finally, in January of this year, at my urging, the Maritime Commission undertook a complete audit of the books of the four companies. Five months later, the Commission submitted to me a preliminary report, which I am submitting for the record. It includes financial statements which are in part the results of the Commission's audits of the Alaska Steamship Co. and the Northland Transportation Co., and in part the statements submitted by those companies—since the Maritime Commission had not completed its audits of all of the companies concerned—of the finances of the Alaska Terminal & Stevedoring Co., owned jointly by the Alaska Steamship Co., some of its officers and employees, and by the Northland Transportation Co., and also of the finances of the Ketchikan Wharf Co., which is wholly owned by the Alaska Steamship Co.

I am submitting, in addition, a schedule of salaries and fees paid by the four companies, as submitted by the Maritime Commission, and the financial results of operations of these companies, also as submitted by the Commission.

A reading of the report will show that there are some very substantial discrepancies between the statements submitted by the companies and the audit made by the Commission. It will be noted that in the report, the Alaska Steamship Co.'s statement showed a profit of \$678,093 before Federal income taxes, and the audit of the Maritime Commission shows a profit of \$1,348,716.64—nearly a 100-percent discrepancy.

The Commission states:

The principal items making up this difference of over \$670,000 are the inclusion of a profit of approximately \$180,000 from ship repairs made in the company's own yards which had been excluded in the company's presentation; a reduction of approximately \$300,000 in the amount of overhead as allocated by the company, and the exclusion by our auditors of approximately \$160,000 covering depreciation on the company's owned vessels.

In the case of the Northland Transportation, there is a discrepancy of \$8,591.69 between the company's statement and the Commission's audit. This discrepancy is not explained in the Commission's preliminary report.

I would like to invite the attention of the Congress to the fact that, in the case of the Alaska Steamship Co., ship repairs were undertaken on a cost-plus-20-percent basis. For some reason, although adequate ship-repair facilities were available in the area, the company failed to let the work out on the basis of competitive bidding. Instead, they engaged in their own ship-repair business, which netted them a substantial profit.

It will be noted from an examination of the report that the Alaska Steamship Co. and the Northland Transportation Co. did not limit their activities to shipping operations alone, but, through stock and individual ownerships, were engaged in stevedoring and ship-repair work, which netted the companies a very substantial profit on the basis of an unaudited report received by the Commission. I believe this matter should be thoroughly investigated and a complete audit made of the books of all the companies in order that the Congress be fully advised regarding these transactions.

Mr. Speaker, I have requested the chairman of the Merchant Marine and Fisheries Committee to make a thorough and complete investigation of the operations of all of the companies under the act. The chairman has assured me that the matter will be thoroughly investigated at an early date by his committee. I hope that, as a result of these hearings, the public will be fully apprised of the operations under the interim act, and, with that information, I hope that the Congress will have a better understanding of the kind of legislation which will be needed to provide adequate and proper transportation to Alaska. I wish to state that I shall not cease my activities in this matter until both the Congress and the public are satisfied that both the letter and the spirit of Public Law 12 have been complied with.

UNITED STATES MARITIME COMMISSION,
Washington, May 17, 1949.

Subject: Alaska Steamship Co. and Northland Transportation Co. combined operations under agreement for emergency interim operation of water transportation service, to, from, and within the Territory of Alaska.

The Honorable HENRY M. JACKSON,
Member, Appropriations Committee,
House of Representatives.

MY DEAR CONGRESSMAN JACKSON: Pursuant to your requests, there is transmitted herewith a financial statement designated exhibit A reflecting the combined income of the Alaska Steamship Co. and the Northland Transportation Co., together with their affiliated company, the Alaska Steamship Co., Ketchikan Wharf Co., derived from operations under the emergency interim agreement.

Attention is invited to the fact that the operations of the Alaska Steamship Co. under the interim agreement embraced the period from May 1, 1947, to December 31, 1948, while the operations of the Northland Transportation Co. covered the period from June 1, 1947, to August 31, 1948.

Exhibit A, referred to above, reflects combined net profit of \$1,858,841.12 from shipping operations under the interim agreement, before Federal income tax, composed of a profit of \$1,546,735.53 applicable to operations of the Alaska Steamship Co., those of its affiliate, Alaska Terminal & Stevedoring Co., and its wholly owned subsidiary, Ketchikan Wharf Co., insofar as they relate to operations of Alaska Steamship Co., as shown on supporting schedule A-1, and a profit of \$312,105.59 applicable to operation of Northland Transportation Co. and the related portion of its affiliate, Alaska Terminal & Stevedoring Co., as reflected on schedule A-2.

From schedule A-1 it will be noted that net profit from shipping operations before Federal income tax of the Alaska Steamship Co. as computed after our audit is \$1,348,716.64. This compares with a profit of \$878,093 before Federal income taxes computed from statements submitted by the company. The principal items making up this difference of over \$670,000 are the inclusion of a profit of approximately \$180,000 from ship repairs made in the company's own yards which had been excluded in the company's presentation; a reduction of approximately \$300,000 in the amount of overhead as allocated by the company, and the exclusion by our auditors of approximately \$160,000 covering depreciation on the company's owned vessels. Attention is directed to the fact that ship repairs were charged to vessel operations at cost, plus a 20-percent profit. In its financial statements, the company had allocated this profit to other than vessel operations. In addition to the items mentioned, profits from operations of the Alaska Terminal & Stevedoring Co. in the amount of \$191,754.29 and profits of the Ketchikan Wharf Co. of \$6,264.60 are also added to the Alaska Steamship Co. income for the purpose of reflecting the total profit of the affiliated interests. The Ketchikan Wharf Co. is a wholly owned subsidiary, but in the case of the Alaska Terminal & Stevedoring Co., approximately 49 percent of the stock is owned by the Alaska Steamship Co., the remainder being held by officers or employees of Alaska and by Northland.

With respect to Northland, the profits computed from statements submitted by the company were \$179,239.39 as compared with \$187,831.08 computed by our auditors as shown on schedule A-2. For the purpose of reflecting the total income to the affiliated interests, a profit of \$124,274.51 of the Alaska Terminal & Stevedoring Co., representing the portion attributable to services rendered by that company for Northland has also been set forth and shown in the total profit accruing to Northland.

The operating results reflected on exhibit A and supporting schedules as concerns Alaska Steamship Co. and Northland Transportation Co. are the results of audits recently completed by the field staff of this office, pursuant to the terms of the emergency interim agreement, whereas the results reflected with respect to the Alaska Terminal & Stevedoring Co. and the Ketchikan Wharf Co. have not been audited by this office but reflect the results as shown on the books of account of the respective companies.

The Alaska Steamship Co. chartered 15 vessels from the Commission at the rate of \$1 per annum, which it operated together with 4 owned vessels under the emergency interim agreement. During the period of the agreement there were 83 voyages completed with chartered vessels and 70 voyages completed with owned vessels.

The Northland Transportation Co. chartered 5 vessels from the Commission at the rate of \$1 per annum, which it operated under the emergency interim agreement, together with 1 vessel (S. S. *Alaska*) assigned to it by the Alaska Steamship Co., for which no charter hire was paid to the latter. This operator completed 40 voyages with the 5 vessels chartered from the Commission and 24 voyages with the S. S. *Alaska*.

There is also attached hereto a statement designated exhibit B reflecting salaries paid, during the period of the emergency interim agreement, to officers of the Alaska Steamship Co. and to the partners of Northland Transportation Co., and the portion thereof

that is applicable to the operations of such agreement.

In the case of the Alaska operations the emergency interim agreement is the motivating instrument, whereas the ships sales demise 303 bare-boat charter agreement is the activating instrument providing the means whereby the operators were furnished with additional vessels for use in the trade. The emergency interim agreement provides, among other things, that with respect to the determination of profits and capital employed, the terms and conditions set forth in the ships sales demise 303 agreement, which were incorporated by reference in the emergency interim agreement, shall prevail except to the extent where such terms and conditions are expressly in conflict with the emergency interim agreement, in which event the terms of the latter shall prevail. The emergency interim agreement further provides, among other things, that the rights and obligations of each party thereto shall in every respect and at all times be several and not joint.

In this connection, it appears appropriate to point out that paragraph (c) of clause 30 of part II of bare-boat charter agreement ship sales demise 303 provides, among other things, that in the calculation of the cumulative net voyage profit for the purposes of determining the amount of additional charter hire payable to the owner, sums paid or payable to an interested person or related company in connection with the operation of the vessels thereunder during the period with respect to which such calculation is made shall be taken into account only if such agreements or arrangements have been approved by the owner, and then only in such amount as the owner shall deem to be fair and reasonable. In the determination of additional charter hire under that agreement, therefore, the operating results of subsidiary and affiliated companies which render service or furnish stores, supplies, equipment, materials, repairs, or facilities in connection with the operation of the vessels thereunder would normally not be consolidated with those of the operator.

In the instance of the Alaska Terminal & Stevedoring Co. our auditors found that the facilities, other than stevedoring, furnished by that company were at the going port rates. The stevedoring services rendered were in accordance with the terms of existing agreements between the Alaska Steamship Co., Northland Transportation Co., and the Alaska Terminal & Stevedoring Co., each individually. Notwithstanding this, there are several matters pertaining to this operation disclosed by the audit with which I am not satisfied, including the handling by the Alaska Steamship Co. and Northland of the stevedoring and terminal operations and ship repairs. Answers to my questions will require an analysis by our technical staff, and I am, therefore, having this done, and a further report prepared covering the results of our investigation which will be furnished you.

It is to be understood that the exhibits and schedules attached hereto reflect operating results on a combined basis to show income to an affiliation of interests and are not to be construed as representing the final determinations subsequently to be made by the Commission with respect to settlements with either the Alaska Steamship Co. or the Northland Transportation Co. in connection with their respective operations under the terms of the emergency interim agreement.

Sincerely yours,

GRENVILLE MELLEN,
Vice Chairman.

EXHIBIT A

UNITED STATES MARITIME COMMISSION,
BUREAU OF FINANCE.

Combined income sheet, Alaska Steamship Co. and Northland Transportation Co., covering operations during the period of the agreement for the emergency interim operation of water-transportation service to, from, and within the Territory of Alaska (contract No. MCc 60,018)

Description	Combined total	Alaska Steamship Co. (schedule A-1)	Northland Transportation Co. (schedule A-2)
Terminated voyage results.....	\$3,084,101.71	\$2,452,743.87	\$631,357.84
Inactive vessel expenses.....	334,082.75	224,429.77	109,652.98
Gross profit from vessel operations.....	2,750,018.96	2,228,314.10	521,704.86
Other shipping operations.....	702,543.07	536,438.61	166,104.46
Gross profit from shipping operations before overhead and depreciation.....	3,452,562.03	2,764,752.71	687,809.32
Overhead.....	1,581,589.09	1,221,988.82	359,600.27
Gross profit from shipping operations before depreciation.....	1,870,972.94	1,542,763.89	328,209.05
Depreciation.....	73,612.73	56,333.87	17,278.86
Gross profit from shipping operations.....	1,797,360.21	1,486,430.02	310,930.19
Other income, net.....	61,480.91	60,305.51	1,175.40
Net profit from shipping operations before Federal income tax.....	1,858,841.12	1,546,735.53	312,105.59

NOTE.—See explanation with respect to above on attached schedules.

SCHEDULE A-1
(Combined income sheet)

UNITED STATES MARITIME COMMISSION,
BUREAU OF FINANCE.

Alaska Steamship Co. with its wholly owned subsidiary, Ketchikan Wharf Co., and applicable portion of its affiliate, Alaska Terminal & Stevedoring Co., covering operations during the period of the agreement for the emergency interim operation of water transportation service to, from, and within the Territory of Alaska (contract No. MCc 60018)

Description	Total	Alaska Steamship Co.	Alaska Terminal & Stevedoring Co.	Ketchikan Wharf Co.
Terminated voyage results.....	\$2,452,743.87	\$2,452,743.87	-----	-----
Inactive vessel expense.....	224,429.77	224,429.77	-----	-----
Gross profit from vessel operations.....	2,228,314.10	2,228,314.10	-----	-----
Other shipping operations.....	536,438.61	182,247.20	\$289,680.24	\$64,511.17
Gross profit from shipping operations before overhead and depreciation.....	2,764,752.71	2,410,561.30	289,680.24	64,511.17
Overhead.....	1,221,988.82	1,117,570.28	51,200.49	53,218.05
Gross profit from shipping operations before depreciation.....	1,542,763.89	1,292,991.02	238,479.75	11,293.12
Depreciation.....	56,333.87	4,682.79	46,622.56	5,028.52
Gross profit from shipping operations.....	1,486,430.02	1,288,308.23	191,857.19	6,264.60
Other income, net.....	60,305.51	60,408.41	-102.90	-----
Net profit from shipping operations before Federal income tax.....	1,546,735.53	1,348,716.64	191,754.29	6,264.60

The above reflects the combined results of the audited operations of the Alaska Steamship Co. and the unaudited operations of its affiliate, Alaska Terminal & Stevedoring Co., and its wholly owned subsidiary, Ketchikan Wharf Co. The amounts shown under caption "Alaska Terminal & Stevedoring Co." represent a pro rata portion of this affiliate's operations accruing from services rendered the Alaska Steamship Co. The above reflects only that portion of the charterer's operating results applicable to the emergency interim operation and inasmuch as unaudited results are included herein, this statement should be considered for statistical purposes only.

SCHEDULE A-2
(Combined income sheet)

UNITED STATES MARITIME COMMISSION,
BUREAU OF FINANCE.

Northland Transportation Co. and applicable portion of its affiliate, Alaska Terminal & Stevedoring Co., covering operations during the period of the agreement for the emergency interim operation of water transportation service to, from, and within the Territory of Alaska (contract No. MCc 60,018)

Description	Total	Northland Transportation Co.	Alaska Terminal & Stevedoring Co.
Terminated voyage results.....	\$631,357.84	\$631,357.84	-----
Inactive vessel expense.....	109,652.98	109,652.98	-----
Gross profit from vessel operations.....	521,704.86	521,704.86	-----
Other shipping operations.....	166,104.46	8,065.64	\$158,038.82
Gross profit from shipping operations before overhead and depreciation.....	687,809.32	529,770.50	158,038.82
Overhead.....	359,600.27	341,543.49	17,756.78
Gross profit from shipping operations before depreciation.....	328,209.05	187,927.01	140,282.04
Depreciation.....	17,278.86	1,327.47	15,951.39
Gross profit from shipping operations.....	310,930.19	186,599.54	124,330.65
Other income net.....	1,175.40	1,231.54	-56.14
Net profit from shipping operations before Federal income tax.....	312,105.59	187,831.08	124,274.51

The above reflects the combined results of the audited operations of the Northland Transportation Co., and the unaudited operations of its affiliate, Alaska Terminal & Stevedoring Co. The amounts shown under caption "Alaska Terminal & Stevedoring Co." represent a pro rata portion of this affiliate's operations accruing from services rendered the Northland Transportation Co. The above reflects only that portion of the charterer's operating results applicable to the emergency interim operation and inasmuch as unaudited results are included herein, this statement should be considered for statistical purposes only.

EXHIBIT B

UNITED STATES MARITIME COMMISSION,
BUREAU OF FINANCE.

Statement of salaries paid to officers of Alaska Steamship Co. and partners of Northland Transportation Co. during the period of the agreement for the emergency interim operations of water transportation service to, from, and within the Territory of Alaska (contract No. MCo 60018)

	Alaska Steamship Co., total salary		Northland Transportation Co., total salary		Total	Applicable to interim agreement	Applicable to other operations
	May 1 to Dec. 31, 1947	Jan. 1 to Dec. 31, 1948	June 1 to Dec. 31, 1947	Jan. 1 to Aug. 31, 1948			
G. W. Skinner, president and partner.....	0	\$24,000.00	\$10,500.00	\$12,000.00	\$46,500.00	\$30,554.58	\$15,945.42
R. C. Anderson, vice president and partner.....	0	24,000.00	10,500.00	12,000.00	46,500.00	27,843.52	18,656.48
D. E. Skinner, partner.....	0	0	10,500.00	12,000.00	22,500.00	19,710.34	2,789.66
William Semar, general manager.....	0	0	14,583.31	16,666.64	31,249.95	27,375.42	3,874.53
F. W. Tegtmeyer, secretary and assistant treasurer.....	0	4,500.00	0	0	4,500.00	1,016.65	3,483.35
Lawrence Bogle, vice president ¹	\$8,000.00	12,000.00	0	0	20,000.00	13,555.30	6,444.70
J. W. Baker, vice president, general manager.....	12,000.00	0	0	0	12,000.00	8,133.18	3,866.82
W. P. McCarthy, assistant treasurer.....	5,500.00	9,360.00	0	0	14,860.00	10,071.59	4,788.41

EXECUTIVE SALARIES OF AFFILIATED AND SUBSIDIARY COMPANIES (ANNUAL RATE AT DEC. 31, 1948)

Alaska Terminal & Stevedoring Co.:		Ketchikan Wharf Co.:	
U. W. Killingsworth, president and manager.....	\$8,400	R. C. Anderson, president.....	\$0
J. P. Pressnall, secretary and office manager.....	5,520	D. E. Skinner, vice president.....	0
William Semar, vice president.....	0	U. W. Killingsworth, vice president.....	0
D. E. Skinner, vice president.....	0	W. P. McCarthy, secretary and treasurer.....	0
H. M. Stakke, treasurer.....	0		
C. F. Osborn, assistant secretary and assistant treasurer.....	0		

¹ Lawrence Bogle is also a member of the law firm of Bogle, Bogle & Gates, which firm received the following fees during the period of the interim agreement:

	Total	Applicable to interim agreement	Applicable to other operations
Alaska Steamship Co.....	\$89,142.58	\$60,417.72	\$28,724.86
Northland Transportation Co.....	25,622.32	22,445.54	3,176.78

Financial results of operations under contract No. USMc-C-60018 dated May 15, 1947, between U. S. Maritime Commission and Santa Ana Steamship Co., per report of audit, dated Feb. 21, 1949, prepared by U. S. Maritime Commission

1. Net profit from operations, before Federal income tax, per report of audit, dated Feb. 21, 1949.....	\$84,013.87
2. Allowable profit (10 percent per annum on capital employed).....	16,820.66
3. Additional for use of operator's own vessels (not included in item 2 above).....	(¹)
4. Total allowance (item 2 plus item 3 above).....	16,820.66
5. Excess profit (item 1 minus item 4).....	67,193.21
6. Insurance claims paid by Commission (latest recorded) reimbursable by operator if excess profits (item 5) are available.....	4,920.50
7. Excess profit after insurance claims (item 5 minus item 6).....	62,272.71
8. U. S. Maritime Commission portion of excess profit (75 percent of item 7).....	46,704.53
9. Operator's portion of excess profit (25 percent of item 7).....	15,568.18
10. Total profit accruing to operator (item 4 plus item 9).....	\$32,388.58

¹ Not owned.

Financial results of operations under contract No. USMc-C-60018, dated May 15, 1947, between U. S. Maritime Commission and Alaska Transportation Co., per report of audit, dated Mar. 8, 1949, prepared by U. S. Maritime Commission

1. Net profit from operations, before Federal income tax, per report of audit, dated Mar. 8, 1949 (see footnote A).....	\$157,750.03
2. Allowable profit (10 percent per annum on capital employed) (deficiency capital).....	None
3. Additional for use of operator's own vessels (not included in item 2 above).....	10,102.99
4. Total allowance (item 2 plus item 3 above).....	10,102.99
5. Excess profit (item 1 minus item 4).....	147,647.04
6. Insurance claims paid by Commission (see footnote B) (reimbursable by operator if excess profits, item 5, are available).....	3,000.00
7. Excess profit after insurance claims (item 5 minus item 6).....	\$144,647.04
8. U. S. Maritime Commission portion of excess profit (75 percent of item 7).....	108,485.28
9. Operator's portion of excess profit (25 percent of item 7).....	36,161.76
10. Total profit accruing to operator (item 4 plus item 9).....	46,264.75

(A) Legal fees and expenses in the amount of \$48,740.75 have been eliminated from the net profit, for the purpose of this statement, subject to review and study by the Commission, regarding the amount thereof applicable to operations under the emergency interim agreement. Therefore, the amount of net profit indicated as item 1 hereon is subject to adjustment to the extent of the amount of legal fees and expenses as determined by the Commission to be applicable to operations under this agreement.

(B) Represents the amount of an advance by the Commission to the insurance syndicate for the payment of claims on casualty of the S. S. *Sword Knot*, Mar. 16, 1948, subject to adjustment upon final settlement of claim.

Salaries and fees, etc., paid by Alaska Steamship Co. during period May 1, 1947, to Dec. 31, 1948, Northland Transportation Co. (partnership) during period June 1, 1947, to Aug. 31, 1948, Alaska Transportation Co. during period June 1, 1947, to Aug. 31, 1948, and Santa Ana Steamship Co. during period May 1, 1947, to Aug. 31, 1948

ALASKA STEAMSHIP CO. OF NEVADA (MAY 1, 1947, TO DEC. 31, 1947) AND ALASKA STEAMSHIP CO. OF WASHINGTON (JAN. 1, 1948, TO DEC. 31, 1948)¹

Name	Title	Basic annual salary		Total salaries paid during period from May 1, 1947, to Dec. 31, 1947	Total salaries charged to transportation division during period from Jan. 1, 1948, to Dec. 31, 1948	Total May 1, 1947, to Dec. 31, 1948
		May 1, 1947, to Dec. 31, 1947	Jan. 1, 1948, to Dec. 31, 1948			
Executives:						
G. W. Skinner.....	President ¹		\$24,000.00		\$16,000.00	\$16,000.00
R. C. Anderson.....	Executive vice president ¹		24,000.00		12,000.00	12,000.00
Lawrence Bogle.....	Vice president.....	\$12,000.00	12,000.00	\$8,000.00	12,000.00	20,000.00
D. E. Skinner.....	do. ²		6,000.00			
V. H. Elfendahl.....	do.....		6,666.61			
U. W. Killingsworth.....	Secretary.....	4,860.00		3,240.00		3,240.00
M. H. Keil.....	Treasurer.....		12,000.00			
W. P. McCarthy.....	Assistant treasurer.....	7,800.00	9,360.00	5,200.00	9,360.00	14,560.00
R. J. Quinn.....	Assistant secretary.....	5,280.00		3,520.00		3,520.00
E. G. Dobrin.....	do.....					
C. O. Nelson.....	do.....	5,520.00		3,680.00		3,680.00
F. W. Tegtmeyer.....	Secretary and assistant treasurer.....		4,500.00		1,500.00	1,500.00
G. F. Kachlein.....	Assistant secretary.....					
L. W. Baker.....	Vice president and general manager.....	18,000.00		12,000.00		12,000.00
Total executives.....				35,640.00	50,860.00	86,500.00
Employees (salaries over \$10,000):						
F. W. Zeisler.....	Assistant to president.....		12,000.00		12,000.00	
Fred Zumdeick.....	Operating superintendent.....		10,800.00		10,800.00	
H. M. Peterson.....	Traffic manager.....		10,800.00		10,800.00	
Total employees.....						33,600.00
		Calendar year 1947	Basic monthly rate	Paid during period May 1, 1947, to Dec. 31, 1947		
Management fees, etc.: Skinner & Eddy Corp. ³		\$50,000.00		\$33,333.33		33,333.33
Monthly charge covering portion of rent, light, phones, etc.: For executive department. ⁴						
Period Jan. 1, 1948, to Aug. 31, 1948.....			500.00		4,000.00	
Period Sept. 1, 1948, to Dec. 31, 1948.....			530.00		2,120.00	
Total management fees, etc.....				33,333.33	6,120.00	39,453.33
Total salaries and fees paid by Alaska Steamship Co.....				68,973.33	90,580.00	159,553.33

NORTHLAND TRANSPORTATION CO. (PARTNERSHIP) (JUNE 1, 1947, TO AUG. 31, 1948)

Name	Title	Basic annual salary during period from June 1, 1947, to Aug. 31, 1948	Total salaries paid during period from June 1, 1947, to Aug. 31, 1948	Total, June 1, 1947, to Aug. 31, 1948
Executive:				
G. W. Skinner.....	Partner ¹	\$18,000.00	\$22,500.00	
R. C. Anderson.....	do. ²	18,000.00	22,500.00	
D. E. Skinner.....	do. ²	18,000.00	22,500.00	
Total executive.....				\$67,500.00
Employees (salaries over \$10,000): W. Semar.....	General manager.....	25,000.00	31,250.00	31,250.00
Total salaries paid by Northland Transportation Co. (partnership).....			98,750.00	98,750.00
Management fees, etc.: None.....				
Total salaries and fees paid by Alaska Steamship Co. and Northland Transportation Co., during periods May 1, 1947, to Dec. 31, 1948, and June 1, 1947, to Aug. 31, 1948, respectively.....			{ 68,973.33 189,330.00 }	258,303.33

¹ Alaska Steamship Co. of Nevada was acquired 100 percent by Skinner & Eddy in 1944. As of Jan. 1, 1948, Skinner & Eddy changed its own name to Alaska Steamship Co. of Washington and merged its wholly owned subsidiary with itself, the shipping company then becoming the transportation division of the new company, which it is stated is engaged in (1) brokerage of canned salmon, (2) production and sale of unrefined petroleum products in the State of Texas, and (3) acquisition and sale of real estate and timber properties and rentals thereof.

² Tabulation showing salaries drawn by G. W. Skinner, R. C. Anderson, and D. E. Skinner, during period Jan. 1, 1948, to Dec. 31, 1948, from Alaska Steamship Co. and during period June 1, 1947, to Aug. 31, 1948, from Northland Transportation Co. together:

	G. W. Skinner	R. C. Anderson	D. E. Skinner	Total
Alaska Steamship Co.....	\$16,000	\$12,000		\$28,000
Northland Transportation Co.....	22,500	22,500	22,500	67,500
Total.....	38,500	34,500	22,500	95,500

³ It is understood that these fees, during the period May 1, 1947, to Dec. 31, 1947, were paid to the parent company in lieu of salaries to G. W. Skinner, president, and R. C. Anderson, executive vice president, and E. G. Dobrin, assistant secretary.

⁴ Since Jan. 1, 1948, the executive department of the Alaska Steamship Co. has maintained an uptown office in a Seattle office building. These fees represent the transportation division's proportion of the maintenance of that office.

Salaries and fees, etc., paid by Alaska Steamship Co. during period of May 1, 1947, to Dec. 31, 1948, Northland Transportation Co. (partner-ship) during period June 1, 1947, to Aug. 31, 1948, Alaska Transportation Co. during period of June 1, 1947, to Aug. 31, 1948, and Santa Ana Steamship Co. during period May 1, 1947, to Aug. 31, 1948—Continued

ALASKA TRANSPORTATION CO. (JUNE 1, 1947, TO AUG. 31, 1948)

Name	Title	Basic salary during period from June 1, 1947, to Aug. 31, 1948	Total salaries paid during period from June 1, 1947, to Aug. 31, 1948	Total, June 1, 1947, to Aug. 31, 1948
Executives:				
Norton Clapp.....	President.....	\$1,000	\$7,000.00	
Period Jan. 1, 1948, to July 31, 1948.....		\$500	500.00	
Period Aug. 1, 1948, to Aug. 31, 1948.....				
S. J. Swanson.....	Vice president and general manager.....	\$10,000	5,833.31	
Period June 1, 1947, to Dec. 31, 1947.....		\$12,000	8,000.00	
Period Jan. 1, 1948, to Aug. 31, 1948.....			210.00	
Bonus.....			500.00	
A. H. Link: Period Aug. 1, 1948, to Aug. 31, 1948.....	Treasurer.....	\$500		
Albert E. Stephan.....	Secretary.....			
John H. Murkland.....	Assistant secretary and treasurer.....			
Total salaries paid by Alaska Transportation Co.....				\$22,043.31
Employees (salaries over \$10,000): None.				
Management fees, etc.: None.				

SANTA ANA STEAMSHIP CO. (MAY 1, 1947, TO AUG. 31, 1948)

Name	Title	Basic annual salary during period from May 1, 1947, to Aug. 31, 1948	Total paid during period from May 1, 1947, to Aug. 31, 1948	Total May 1, 1947, to Aug. 31, 1948
Executives: J. D. Reagh.....	President.....	\$12,000.00		
Period Mar. 1, 1947, to Sept. 30, 1947 (7 months).....			\$7,000.00	
Period Oct. 1, 1947, to Dec. 31, 1947 (3 months).....			1,000.00	
Period Jan. 1, 1948, to Feb. 29, 1948 (2 months).....				
Period Mar. 1, 1948, to Aug. 31, 1948 (5½ months).....			5,166.66	
Total salaries paid by Santa Ana Steamship Co.....				\$13,166.66
Employees (salaries over \$10,000): None.				
Management fees, etc.: None.				

† Per month.
* Per annum.

EXHIBIT A

U. S. Maritime Commission financial results of operations (partially estimated and subject to audit by the U. S. Maritime Commission) by Alaska Steamship Co., Northland Transportation Co., Alaska Transportation Co., and Santa Ana Steamship Co., individually, under the provisions of contract No. USMC-c-60018, dated May 15, 1947, between the United States of America acting by and through the U. S. Maritime Commission and each of the aforementioned operators, during their respective periods of operation (based on latest available information through Feb. 2, 1947)

Item No.	Description	Total	Alaska Steamship Co., period May 1, 1947, to Dec. 31, 1948	Northland Transportation Co., period June 1, 1947, to Aug. 31, 1948	Alaska Transportation Co., period June 1, 1947, to Aug. 31, 1948	Santa Ana Steamship Co., period May 1, 1947, to Aug. 31, 1948
1	Capital employed under the agreement for the emergency interim operation of water transportation service to, from, and within the Territory of Alaska (contract No. USMC-c-60,018).....	\$8,497,153.79	\$5,658,762.00	\$2,248,600.00	\$467,701.79	\$122,090.00
2	Profit or (loss) from operations under contract No. USMC-c-60,018:					
	Terminated voyage results (schedule A-1).....	3,945,335.07	2,701,362.00	716,123.23	398,071.12	129,778.72
	Less inactive vessel expense.....	753,322.58	483,838.00	193,001.51	62,855.74	13,627.33
	Gross profit or (loss) from shipping operations.....	3,192,012.49	2,217,524.00	523,121.72	335,215.38	116,151.39
	Add net profit from terminal and other shipping operations.....	3,549.01		5,435.97		(1,886.96)
	Gross profit or (loss) from shipping operations before overhead and depreciation.....	3,195,561.50	2,217,524.00	528,557.69	335,215.38	114,264.43
	Deduct overhead:					
	Administrative and general expense.....	1,775,229.05	1,135,427.00	359,249.95	251,220.96	29,331.14
	Less agency fees and commissions earned.....	40,591.62			40,591.62	
	Management and operating commissions.....	1,734,637.43	1,135,427.00	359,249.95	210,629.34	29,331.14
	Advertising.....	10,806.00			10,806.00	
	Taxes other than Federal income tax.....	90,954.42	57,281.00	12,598.69	20,897.23	177.50
		244,685.21	229,590.00	7,480.79	3,556.25	4,052.17
		2,081,083.06	1,422,304.00	379,329.43	245,888.82	33,560.81
	Gross profit (or loss) from shipping operations before depreciation.....	1,114,478.44	795,220.00	149,228.26	89,326.56	80,703.62
	Deduct depreciation.....	170,987.57	168,142.00		1,757.74	1,087.83
	Gross profit (or loss) from shipping operations.....	943,490.87	627,078.00	149,228.26	87,568.82	79,615.79
	Add other income.....	91,898.77	55,591.00	36,307.77		
	Other deductions from income.....	11,373.33	4,576.00	6,296.64	362.61	138.08
		80,525.44	51,015.00	30,011.13	(362.61)	(138.08)
	Cumulative net voyage profit before Federal income tax.....	1,024,016.31	678,063.00	179,239.39	87,206.21	79,477.71
3	Allowable return: Based on 10 percent per annum of capital employed during the period of operations under contract No. USMC-c-60,018 (item No. 1 above):					
	Period May 1, 1947, to Dec. 31, 1948, 610/365 of \$565,876.20.....					
	Period June 1, 1947, to Aug. 31, 1948, 457/365 of \$224,860.....					
	Period June 1, 1947, to Aug. 31, 1948, 457/365 of \$46,770.18.....					
	Period May 1, 1947, to Aug. 31, 1948, 488/365 of \$12,209.....					
		1,302,130.19	945,711.00	281,537.09	58,558.84	16,323.26
4	Cumulative net voyage profit in excess of allowable return (item 2 above, less item 3 above).....	† 91,801.82	None	None	28,647.37	63,154.45

† These figures used for cross-balancing purposes only.

U. S. Maritime Commission financial results of operations—Continued

Item No.	Description	Total	Alaska Steamship Co., period May 1, 1947, to Dec. 31, 1948	Northland Transportation Co., period June 1, 1947, to Aug. 31, 1948	Alaska Transportation Co., period June 1, 1947, to Aug. 31, 1948	Santa Ana Steamship Co., period May 1, 1947, to Aug. 31, 1948
5	Sum to be allowed each operator for use of its privately owned vessels in operations under this contract to the extent that the cumulative net voyage profits exceed such sum together with the allowable return (see art. 5 (a) of the contract).....	\$507,981.46	\$378,934.10	\$108,901.07	\$20,146.29	-----
6	Cumulative net voyage profit in excess of allowable return after deducting item 5 above.....	\$71,655.53	None	None	8,501.08	\$63,154.45
7	Marine and war risk hull insurance claims reimbursable to the Commission, to the extent that the cumulative net voyage profits exceed the sum of items 3 and 5 above.....	291,865.41	202,986.69	79,878.72	3,000.00	6,000.00
8	Cumulative net voyage profits after deducting items 3, 5, and 7 above to be distributed between the Commission (75 percent) and the operator (25 percent).....	\$62,655.53	None	None	5,501.08	57,154.45
9	Proportion of item 8 due the Commission as additional charter hire.....	46,991.65	None	None	4,125.81	42,865.84
10	Proportion of item 8 to be retained by the operator.....	15,663.88	None	None	1,375.27	14,288.61
11	Proportion of net voyage profits accruing to the operators:					
	(a) Allowable return to extent earned.....	932,214.49	678,093.00	179,239.39	58,558.84	16,323.26
	(b) Allowance for use of privately owned vessels to extent earned (item 5 above).....	20,146.29	(2)	(2)	20,146.29	None
	(c) Balance of net voyage profits to be retained by operator, if earned (item 10 above).....	15,663.88	None	None	1,375.27	14,288.61
	Total (net results to operators).....	968,024.66	678,093.00	179,239.39	80,080.40	30,611.87
12	Proportion of net voyage profits accruing to U. S. Maritime Commission:					
	(a) Marine and war risk hull insurance claims reimbursable to the Commission to the extent earned (item 7 above).....	9,000.00			3,000.00	6,000.00
	(b) Additional charter hire accruing to the Commission (item 9 above).....	46,991.65			4,125.81	42,865.84
	Total.....	55,991.65	None	None	7,125.81	48,865.84
13	Total cumulative net voyage profit (item 2).....	1,024,016.31	678,093.00	179,239.39	87,206.21	79,477.71
14	Net result to Commission under the agreement:					
	(a) Basic charter hire.....	26.00	15.00	5.00	5.00	1.00
	(b) Additional charter hire (item 12 (b) above).....	46,991.65			4,125.81	42,865.84
	(c) Marine and war risk hull insurance claims unreimbursed (not earned).....	\$ (282,865.41)	\$ (202,986.69)	\$ (79,878.72)		
	Total.....	\$ (235,847.76)	\$ (202,971.69)	\$ (79,873.72)	4,130.81	42,866.84

1 These figures used for cross-balancing purposes only.

2 Not earned.

3 Parentheses denote red figures.

SCHEDULE A-1

Alaska Steamship Co. vessel operating statement for the period June 1947 to December 1948

[Service and type of vessel: Alaska—combination passenger and dry cargo. Number of voyage terminations: 71. Number of miles traveled: 234,356. Number of voyage days: 1,196. Days at sea: 733. Days in port: 463]

	Outward	Intermediate	Inward	Total
Number of passengers carried:				
First-class.....	9,726	3,164	6,749	19,639
Third-class.....	5,704	622	3,152	9,478
Total.....	15,430	3,786	9,901	29,117
Number of freight payable tons carried.....	60,477.9	2,781.3	24,540.0	87,799.2
(600) Operating revenues—Terminated voyages:				
Freight.....	\$1,663,437.60	\$43,613.79	\$350,657.68	\$2,057,709.07
Passenger.....	1,090,594.64	105,986.41	708,063.68	1,904,644.73
United States mail.....	591,617.96	17,294.65	119,928.34	728,840.95
Other.....			24,058.43	24,058.43
Total.....	3,345,650.20	166,894.85	1,202,678.13	4,715,223.18
(700) Operating expense:				
Terminated voyages:				
Vessel expenses:				
Wages.....			\$1,530,639.23	
Subsistence.....			666,483.60	
Stores, supplies, equipment.....			231,762.80	
Maintenance.....			79,432.38	
Fuel.....			606,282.96	
Repairs.....			278,637.05	
Insurance, protection and indemnity.....			90,384.38	
Insurance, other.....			21,037.13	
Charter hire.....			2.00	
Other vessel expense.....			37,029.16	
Total vessel expense.....				\$3,541,690.69
Port expense:				
Wharfage and dockage.....		\$34,366.17		
Other port expense.....		17,880.92		
Cargo expenses:				
Stevedoring.....		622,052.88		
Other cargo expense.....		20,502.62		
Brokerage expense:				
Freight.....		3,905.18		
Passenger.....		15,907.82		
			19,813.00	
Other voyage expense.....		6,606.06		
			6,606.06	
Total voyage expense.....				\$721,221.65
Total vessel operating expense.....				4,262,912.34
Direct profit from vessel operations (carried forward).....				452,310.84

Alaska Steamship Co. vessel operating statement for the period June 1947 to December 1948—Continued

[Service and type of vessel: Alaska, dry cargo. Number of voyage terminations: 82. Number of miles traveled: 308,423. Number of voyage days: 4,141. Days at sea: 1,269. Days in port, 2,872]

	Outward	Intermediate	Inward	Total
Number of passengers carried, first class.....	13	32	4	49
Number of freight payable tons of cargo carried.....	312,323.0	13,904.7	197,185.1	523,412.8
(600) Operating revenues—Terminated voyages:				
Freight.....	\$5,569,893.59	\$177,334.13	\$2,611,723.86	\$8,358,951.58
Passenger.....	875.25	462.14	330.00	1,667.39
United States mail.....	25,072.88	1,393.09	2,059.83	28,525.80
Per diem charter.....	67,903.12			67,903.12
Other.....			26,964.61	26,964.61
Total.....	5,663,744.84	179,189.36	2,641,078.30	8,484,012.50
(700) Operating expense:				
Terminated voyages:				
Vessel expense:				
Wages.....			\$1,919,826.18	
Subsistence.....			446,679.80	
Stores, supplies, and equipment.....			343,864.90	
Maintenance.....			51,751.75	
Fuel.....			346,171.62	
Repairs.....			421,942.29	
Insurance, protection and indemnity.....			225,520.08	
Insurance, other.....			53,504.85	
Charter hire.....			24.00	
Other vessel expense.....			26,237.04	
Total vessel expense.....				\$3,835,522.51
Port expense:				
Wharfage and dockage.....		\$110,406.10		
Other port expense.....		79,537.48		
			\$189,943.58	
Cargo expense:				
Stevedoring.....		2,077,757.32		
Other cargo expense.....		122,709.50		
			2,200,466.82	
Brokerage expense:				
Freight.....		3,254.90		
Passenger.....				
			3,254.90	
Other voyage expense.....		5,773.66		
			5,773.66	
Total voyage expense.....				2,399,438.96
Total vessel operating expense.....				6,234,961.47
Direct profit from vessel operations.....				2,249,051.03
Brought forward.....				452,310.84
Total direct profit from vessel operations.....				2,701,361.87

Northland Transportation Co. vessel operating statement for the period June 6, 1947, to Aug. 18, 1948

[Service and type of vessel: Freight and combination. Number of voyage terminations: 65. Number of nautical miles traveled: No record. Number of voyage days: 1,753. Days at sea: No record. Days in port: No record]

(600) Operating revenue—terminated voyages:				
01 Freight, foreign.....				0
05 Freight, coastwise and intercoastal.....				\$3,278,193.61
08 Passenger, foreign.....				0
12 Passenger, coastwise and intercoastal.....				400,390.86
15 United States mail, foreign.....				0
16 United States mail, coastwise and intercoastal.....				75,299.51
17 Foreign mail.....				0
19 Ad valorem.....				0
20 Charter revenue.....				0
24 Other voyage revenue.....				3,848.71
Total vessel operating revenue.....				3,757,732.69
(700) Operating expense, terminated voyages:				
Vessel expense:				
01 Wages.....			\$1,176,616.16	
10 Subsistence, purchased domestic.....			311,950.85	
14 Subsistence, purchased foreign.....			0	
15 Stores, supplies, and equipment, purchased domestic.....			167,442.68	
24 Stores, supplies, and equipment, purchased foreign.....			0	
25 Other maintenance expense.....			50,441.48	
35 Fuel.....			283,603.88	
40 Repairs, performed domestic.....			136,595.27	
49 Repairs, performed foreign.....			0	
65 Insurance, hull and machinery.....			0	
67 Insurance, protection and indemnity.....			54,430.32	
69 Insurance, other.....			28,431.12	
60 Charter hire.....			5.00	
64 Other vessel expense.....			63,456.21	
Total vessel expense.....				2,272,972.97
Port expense:				
65 Agency fees and commissions.....		0		
70 Wharfage and dockage.....		\$5,059.23		
79 Other port expenses.....		34,101.53		
			\$39,160.76	
Cargo expense:				
80 Stevedoring.....		647,665.01		
89 Other cargo expense.....		31,996.43		
			679,661.44	
Brokerage expense:				
90 Freight.....		0		
93 Passenger.....		8,312.37		
			8,312.37	
Other voyage expense:				
95 Canal tolls.....		0		
99 Other voyage expense.....		41,501.92		
			41,501.92	
Total voyage expense.....				768,636.49
Total vessel operating expense.....				3,041,609.46
Direct profit from vessel operations.....				716,123.23

Alaska Transportation Co. vessel operating statement for the period June 5, 1947, to Aug. 3, 1948, under contracts U. S. Maritime Commission C-60018 and C-60476

[Service: Southeastern and southwestern Alaska routes, freight and passenger. Number of voyage terminations: 50. Number of nautical miles traveled: 131,274. Number of voyage days: 1,314. Days at sea: 556. Days in port: 758]

	Outward	Intermediate	Inward	Total
Number of passengers carried, first class.....	718	129	536	1,383
Number of freight payable tons of cargo carried.....	103,529.0	3,347.8	61,511.7	168,388.5
(600) Operating revenue—terminated voyages:				
05 Freight.....	\$1,547,455.78	\$39,933.02	\$646,940.64	\$2,234,329.44
12 Passenger.....	51,642.55	2,648.95	39,917.50	94,209.00
16 United States mail.....	27,547.54	255.06	1,017.09	28,819.69
24 Other voyage revenue.....	5,454.14			5,454.14
Total vessel operating revenue.....	1,632,100.01	42,837.03	687,875.23	2,362,812.27
(700) Operating expense, terminated voyages:				
Vessel expense:				
01 Wages.....			\$748,070.31	
10 Subsistence, purchased domestic.....			136,625.12	
15 Stores, supplies, and equipment, purchased domestic.....			83,111.29	
25 Other maintenance expense.....			59,742.70	
35 Fuel.....			137,831.84	
40 Repairs, performed domestic.....			43,790.32	
55 Insurance, hull and machinery.....			1,124.61	
57 Insurance, protection and indemnity.....			51,940.61	
59 Insurance, other.....			13,268.40	
60 Charter hire.....			8.00	
64 Other vessel expense.....			2,709.95	
Total vessel expense.....				\$1,298,223.15
Port expense:				
65 Agency fees and commissions.....		\$30,005.95		
70 Wharfage and dockage.....		4,898.12		
79 Other port expenses.....		31,867.12		
			\$66,771.19	
Cargo expense:				
80 Stevedoring.....		540,693.18		
89 Other cargo expense.....		50,529.00		
			591,222.18	
Brokerage expense:				
90 Freight.....				
93 Passenger.....		2,948.52		
			2,948.52	
Other voyage expense:				
95 Canal tolls.....		4,263.34		
99 Other voyag. expense.....		1,312.77		
			5,576.11	
Total voyage expense.....				666,518.00
Total vessel operating expense.....				1,964,741.15
Direct profit (or loss) from vessel operations.....				398,071.12

Santa Ana Steamship Co. vessel operating statement
VESSEL—"COASTAL RIDER"

	Mar. 4 to Dec. 31, 1947	Jan. 1 to Oct. 31, 1948	Total
Voyages (Seattle to Goodnews Bay and Bethel, Alaska, and return):			
Trips.....	2	1	3
Nautical miles.....	8,500	4,250	12,750
Voyage days:			
At sea.....	62	30	92
In port.....	46	29	75
Payable tons of freight.....	6,305	3,513	9,818
Operating revenues, terminated voyages.....	\$219,835.08	\$115,437.41	\$335,272.49
Operating expenses:			
Vessel expenses:			
Wages.....	48,862.71	29,451.24	78,313.95
Subsistence.....	10,560.41	5,392.51	15,952.92
Stores, supplies, and equipment.....	9,089.11	4,875.24	13,964.35
Other maintenance expense.....	280.90	479.17	760.07
Fuel.....	17,035.31	(10,165.40)	6,869.91
Repairs.....	1,993.15	17,686.63	19,679.78
Insurance:			
Hull and machinery.....	175.00	643.49	818.49
Protection and indemnity.....	3,174.50	6,072.16	9,246.66
Other.....	1,160.36	4,908.91	6,069.27
Charter hire (basic only).....	1.00	1.00	2.00
Other vessel expense.....	576.24	548.56	1,124.80
Total.....	92,908.89	59,890.51	152,799.40
Port expenses:			
Agency fee.....	500.00	250.00	750.00
Other port expenses.....	6,126.71	3,140.69	9,267.40
Total.....	6,626.71	3,390.69	10,017.40
Cargo expenses:			
Stevedoring.....	20,937.98	11,931.02	32,869.00
Other cargo expenses.....	3,875.59	3,347.24	7,222.83
Total.....	24,813.57	15,278.26	40,091.83
Other voyage expenses.....	1,434.93	1,150.21	2,585.14
Total vessel operating expenses.....	125,784.10	79,709.67	205,493.77
Direct profit from vessel operations.....	94,050.98	35,727.74	129,778.72

EXTENSION OF REMARKS

Mr. HINSHAW asked and was given permission to extend his remarks in the RECORD and include the remarks of Hon. Oswald Ryan on the occasion of his third induction as a member of the Civil Aeronautics Board.

"ALL THAT GLITTERS IS NOT GOLD"

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, recently the Senate Banking and Currency Committee became bored when consideration of a bill to provide for a world free market in gold was before it. Shades of William Jennings Bryan and his historic Cross of Gold oratory! The market for gold is far from free in this country. It is illegal to have in one's possession monetary gold.

In the 456 years since Columbus discovered America the value of the gold mined in the world has been \$40,000,000,000. Beginning next July 1, the Federal Government plans to spend forty-five billions. The United States has twenty-four billions of the present gold, most of it stored underground at Fort Knox, and it represents only a little more than half of a single year's cash spending by the Federal Government. With the price of gold pegged at \$35 an ounce, most gold miners say they cannot dig it for that. As it is, the money supply now totals one hundred and sixty-six billions—four times what it was in 1933, when we went off the gold standard—and the whole economy of this country is set up on a new high scale. That is why the Government feels able to swing a volume of annual spending greater than the whole national income in 1933. Credit must have been one of the greatest inventions of all times.

GERHART EISLER

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, yesterday this House approved a bill appropriating more than \$5,000,000,000 to be expended as aid, financial and otherwise, for the benefit of foreign countries. Included in yesterday's House-approved bill was an item of nearly \$1,000,000,000 for Great Britain—to support the economy and the government of that nation.

This morning an official of the British Government refused to turn over to the United States authorities a fugitive from American justice—Gerhart Eisler—a known Communist who has been engaged in efforts to overthrow our Government.

What gratitude! What a shining example of international cooperation! What a great demonstration of appreciation by the British Government of the

sacrifices we have been making to aid the British people.

Can it be that the British, too, are not interested in catching "red herrings," or in putting them where they belong?

CENTRAL VALLEY, CALIF., POWER DEVELOPMENT

Mr. WELCH of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WELCH of California. Mr. Speaker, the following editorial will be appreciated by all who sincerely believe in the great Central Valley multiple hydroelectric power development well on its way to completion by the Federal Government for the primary benefit of farmers, irrigationists, and water users in the Central Valley project area of California:

[From the San Francisco (Calif.) News of May 21, 1949]

GOVERNOR URGED TO BOOST RECLAMATION

Congressman RICHARD WELCH, of San Francisco, expressly called upon Governor Warren to exert his influence with the California congressional delegation to support the United States Bureau of Reclamation in water and power development in this State.

Such a policy would be in line with the findings of the Hoover Commission which held that the United States Army Engineer Corps withdraw from all projects primarily concerned with conservation, including power development.

Governor Warren, in a recent speech at Los Angeles, declared western power development in the hydroelectric field must be chiefly by public agencies because the necessity of water conservation requires multiple use of water resources. Private capital, he pointed out, cannot undertake the large expenditures involved in such development.

The Bureau of Reclamation is concerned primarily with water, land, and wildlife conservation. In promotion of these aims it seeks to encourage wider use of lands for food production by providing irrigation water for otherwise arid areas. To make irrigation water as cheap as possible for farmers it develops power generation facilities in connection with water storage. Sale of the electric power helps recover the cost of the projects and hence reduces the proportion of cost that must be repaid from sale of irrigation water.

This is essentially the difference between projects built by the reclamation service and those constructed by the United States engineers.

Although the Governor, in his Los Angeles speech, did not specifically link the Bureau of Reclamation with the public power development he recommended, it was clear from his remarks that he had that in mind. The Army engineers, in projecting "flood control" dams high up in the Sierra cannot assure multiple purpose development. Nor can they recover costs of the construction. Therefore, they are incapable of accomplishing the kind of development Governor Warren advocates.

We believe Representative WELCH is justified in asking the Governor to exert his official influence in Washington to secure support for the water and power program of the Bureau of Reclamation. That program is essentially included in the Central Valley project, whose completion is so vital to the future welfare of California.

COMMUNISM AT HOME AND ABROAD—GERHART EISLER

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, the British courts seem to be becoming as pro-Communist as our Atomic Commission.

On yesterday, while some of the Members of Congress were falling over themselves to appropriate billions of dollars to give Great Britain, out of the American taxpayers' pockets, the courts of that country were releasing Gerhart Eisler, probably the most dangerous Communist who ever plotted the overthrow of this Government.

I was on the Committee on Un-American Activities when Gerhart Eisler was brought before it. He refused to be sworn on the ground that he claimed to be a refugee from persecution. Almost immediately, a Negro by the name of Nowell, an ex-Communist took the stand. He said that the Communists had sent him to Moscow to a school of revolution where they were being taught how to overthrow this Government. It got so bad that Nowell quit the Communist Party, turned state's evidence, and told the whole story to the committee.

We asked him if he had ever seen Gerhart Eisler before. He said, "Oh, yes; he was an instructor in that school of communism in Moscow all the time I was over there."

I realize that the British will probably come back and say that we have no right to criticize them so long as our Atomic Commission educates Communists at Government expense, but I wanted to express my disappointment at this interference on the part of the British courts.

DOG IN THE MANGER

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, most of the Members of the House when going from the Capitol over to the office buildings have noticed the contractor's preparations for repair of this Chamber, and noticed the barriers put down where we used to park our cars. I cannot help but think of two old adages: One was about the dog in the manger, and the other was about the old hog first getting his feet in the trough.

The Capitol faces New Jersey Avenue. The House Office Buildings stand on the south side of B Street, which runs east and west. On our way from the Capitol to our offices and before we reach B Street, we find a curving street running from New Jersey to the west, and off this curving street is another very short street

running to the southwest and ending in B Street.

Over the years it has been customary for reporters, for secretaries, for Congressmen, and those having business at the Capitol or in the House Office Buildings to park their cars on each side of those two curving streets, both being one-way streets.

Many of us have noted the elaborate preparation of the contractor for the construction work he is about to do on the Capitol. For the last week or two he has been trying to monopolize these two streets where so many park their cars. Like the old hog, he has got his feet in the trough; like the dog in the manger, he is preventing the use of space which he cannot and does not himself use. First he had the policemen tell people not to park on portions of these two curving streets.

I talked to Mr. Lynn, the Architect of the Capitol, about the situation; he did not know anything about it; and to Mr. Callahan, the Sergeant at Arms. Mr. Callahan said: "Park your car over there where you and others have always been accustomed to park."

The contractor was not content with having the policeman order folks not to park their cars on these two streets. He or someone in his interest put up barriers which occupy the places where individuals formerly parked. So what have we? We have a contractor hogging space on two public streets which he does not use, which he cannot use, and where the only result is for him to get his feet in the trough when he cannot, as did the old hog, drink the swill therein.

It is seldom that one sees the like of such selfishness, but he probably has a cost-plus contract and perhaps the taxpayers will find him charging for putting out and removing these yellow barriers which accomplish nothing except to prevent people parking their cars in a place which he—I repeat—does not and cannot use.

Will the Custodian of Public Grounds or Joe Callahan kindly get those barriers out of the way so that people having business in the Capitol, in the House Office Buildings, can use the space which no one else is using, but on which whoever put out those yellow barriers, is just squatting? That will give those who have business at the Capitol and with their Congressmen an opportunity to use available space which is not needed by the contractor.

I know it is a popular peacetime sport to kick Congressmen around and see if you can get something on them and interfere with their necessary activities, but why in the world that contractor can put those barriers up there and not use the space, I cannot understand. To me it is just plain "dog in the manger."

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. NIXON asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and include extraneous material.

Mr. SADLAK asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include an editorial.

Mr. BOGGS of Delaware asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include extraneous material.

Mr. MILLER of Nebraska (at the request of Mr. STEFAN) was given permission to extend his remarks in the RECORD on the subject Establishment of National Medical Care Investigation Commission.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. SADOWSKI asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and in each to include extraneous material.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD and include three small articles.

SPECIAL ORDER GRANTED

Mr. KEEFE asked and was given permission to address the House for 30 minutes on Thursday next after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. BIEMILLER] is recognized for 15 minutes.

(Mr. BIEMILLER asked and was given permission to revise and extend his remarks and include certain statements by J. Donald Kingsley, Acting Federal Security Administrator.)

THE PRESIDENT'S HEALTH PROGRAM

Mr. BIEMILLER. Mr. Speaker, the American Medical Association has been attacking President Truman's program for national health insurance as a proposal for socialized medicine or state medicine.

Some very interesting comments on this viewpoint were made this week before a subcommittee of the Senate Committee on Labor and Public Welfare by J. Donald Kingsley, Acting Federal Security Administrator.

Mr. Kingsley expressed the view that this proposed legislation is the way to avoid state medicine instead of the way to get it. I would like to quote briefly from his statement:

At the outset, however, I want to stress the conviction that unless a comprehensive system of prepayment such as that provided in S. 1679 is established, it will be impossible to meet the Nation's medical needs without an ever-increasing measure of state medicine.

The extent to which Government already is involved in the direct provision of medical care to individuals is often overlooked. I am afraid, in our zeal to identify our system for the care of the sick with our busi-

ness system of private enterprise. Perhaps it would be more useful to our purpose if we were to face frankly the fact that medical care does not rest upon the same basis at all. Incidentally, I think it would be far fairer to private enterprise.

By its very nature medical care is uneconomic. In modern times, it has never rested on the rule of the market place, because the public interest has required that illness be treated somehow, whether the individual could afford it or not. But while we never have relied inclusively upon the rule of supply and demand, neither have we worked out a rational and reliable substitute for it which would provide a sound economic basis for our medical system. Instead, medical care has been financed, from the earliest times, in a haphazard way. From the beginning, the economic basis of medicine has been a loosely defined triple standard: First, a rough-and-ready sliding scale of prices for the well-to-do, depending upon how well-to-do and adjusted arbitrarily in individual cases by the physician or the hospital; second, private charity in various forms, both organized and unorganized, for the medically indigent, meaning those who are self-supporting except in emergency; and, third, Government medicine and various forms of public charity for the poor. It is a makeshift system that "just grows."

In spite of these catch-as-catch-can financial arrangements, the medical profession has made remarkable progress. This is not a tribute to the system of payment, however, but to the devotion of the medical profession and to our national readiness to improvise. In this case, we appear to have improvised ourselves into a situation that almost nobody likes.

Without a workable economic base upon which the private practice of medicine and our voluntary hospital system could improve and expand at a pace consistent with the advance of medical knowledge and general social standards, we have turned over to Government a greater and greater share of responsibility. Almost all of our improvisation, in fact, has been in this direction, until today some 24,000,000 citizens are receiving various kinds and degrees of medical care from the Federal Government alone, according to the Hoover Commission.

Today, Government owns and operates three-quarters of all the hospital beds in the United States. Government employs directly thousands of American doctors and pays fees to many more. In Government hospitals and with doctors on the public pay roll in whole or in part, the taxpayers finance full medical care for all members of the armed forces and their dependents and for all veterans with service-connected disabilities; hospital care for all needy veterans and for merchant seamen; and complete care for tubercular, mental and other chronic patients. Government pays the cost of limited medical care for those on public relief rolls. In addition, the taxpayers carry the full load in that vast field of medical service known as public health, and provide large sums to support medical research and education.

If you add all this up, you will find that Government today is providing a large share of the total cost of medical care for a substantial proportion of the people, and that it is doing so in very large measure through state medicine, in the strictest sense of the term. Furthermore, it is evident that the acceleration of this development in recent years has been phenomenal. There is no reason to suppose that it can be halted by any partial or makeshift expedient.

It seems to me that the implications of this are starkly clear. I sincerely believe that we have gone so far along this road, impelled by irresistible circumstance rather

than by any design, that the real issue is already quite different than it is usually presented. The real issue as I see it is not between voluntary, private health insurance and a national system based on our social insurance experience, but rather between national health insurance and state medicine. I say this not because I am opposed to voluntary insurance, for I am not, but because I am firmly and honestly convinced that nothing short of the social insurance method can prevent the further—and eventually the complete—substitution of state for private medicine. On the other hand, I believe that social insurance can prevent it, because it would establish exactly the thing that has always been lacking and which has rendered private medicine incapable of doing the full job. That is, a sound, firm, reliable economic foundation upon which private medicine can expand and flourish.

Mr. Kingsley then gave the reasons why voluntary health insurance cannot provide the kind of medical care the Nation needs and therefore cannot stop the advance of state medicine. He said in part:

One difficulty with voluntary health insurance is that it costs too much for most people to buy, and it cannot pay its own way on lower premiums. Since the AMA's recent conversion, we are told that health insurance has made gigantic strides and now affords protection to 52,000,000 Americans, or one-third of the Nation. This may be true. But the question arises, What are they protected against? And the answer is that less than 2½ percent have anything even approaching the comprehensive protection that is provided for S. 1679. Other voluntary insurance subscribers have protection ranging from next to nothing under policies with a great deal of fine print, to limited protection under several different policies for hospital, surgical, and medical care. The cost is in proportion to protection, and it is not cheap; if it were, far more than a third of the people might be expected to buy such little packages.

Another pertinent question would be, Who is protected under voluntary insurance? As with the distribution of medical personnel and facilities, so it is with voluntary insurance policies; you find them where the money is, not where the need is greatest. Most voluntary insurance policies are issued by Blue Cross hospitalization plans—the AMA says 32,000,000 of them—providing limited insurance for hospital care only. About 60 percent of these policies are held by citizens of six rich industrial States which contain about 36 percent of the total population of the United States. Only about 17 percent of Blue Cross members live in Southern and Western States with 43 percent of the population. Less than 3 percent of the rural population belong.

Even granting the validity of the AMA's own figures, which have not been noted for objectivity in this regard, two-thirds of our people have no protection of any kind under voluntary insurance. And this after 20 years of intensive advertising and selling.

It may be that by helping to defray the administrative costs out of taxes, by subsidizing the coverage of those who cannot or will not pay the premiums, and by appropriating public funds for a high-pressure advertising campaign, it would be possible to bring most of the population eventually into these privately controlled plans. This, of course, would achieve the same result as social insurance, but it would be infinitely more costly and would raise serious questions of public policy. Anything short of this, however, would fail to meet the problem and probably would lead only to greater acceleration of the trend toward state medicine.

On this score, I agree with the conclusion that was reached years ago by the American Medical Association, that, if we are going to adopt any form of health insurance, we should go all the way and embrace compulsory national health insurance. They contended then, as we do now, that experience in other countries had proved that voluntary insurance was totally inadequate and could not be otherwise.

Mr. Kingsley concluded his testimony with a strong affirmative explanation of the way national health insurance would benefit the country. He said:

S. 1679, on the other hand, offers a real and lasting solution to all of the major problems I outlined at the opening of this discussion. First, it takes full cognizance of the shortages which exist today in medical manpower and facilities, the extent and seriousness of which are known, and makes provision for Federal assistance to the States on a scale sufficient to meet them. This will help to wipe out the great accumulated deficit of supply which has resulted inevitably from the inability of our people to buy the medical care they should have.

As I suggested, however, the finest medical service is of little value, no matter where or in what amount, unless it can be maintained economically. Title VII of S. 1679 deals with this problem in the only effective way I know, by applying the method of social insurance which we have tried and tested for more than a dozen years.

By this method, it would establish a firm, dependable economic foundation under the whole structure of private medical practice. It would result in the establishment and the effective maintenance of doctors, hospitals and all other health personnel and facilities wherever they were justified by the number, not the wealth, of prospective patients. For the first time, it would make it worth while for doctors to use their talents where they are most urgently needed. No longer would the doctor be forced to hold a stethoscope upon the patient's heart and pocketbook at the same time, and adjust his fees accordingly. No longer would he feel compelled to reserve the prescription of expensive treatments and drugs, regardless of their effectiveness, to those whose wealth permits their use. Instead, he would be completely free, for the first time, to consider each patient solely on the basis of professional judgment and not with the appraisal of a bill collector.

As for the patient, no longer would he be compelled to consider the cost of illness first and its consequences later. No longer would he feel hesitant, for fear of the cost, about going to the doctor at the first sign of illness, and thereby reaping the incalculable benefits of modern preventive medicine.

It is hardly necessary for me, Mr. Chairman, to picture for you all the endless chain of beneficial results which would flow automatically from the mere fact that, upon the enactment of this bill, almost all of the people in the United States would have the purchasing power with which to buy all the medical care they need.

But still there are those who fear this program, who contend that it would regiment the doctor, interfere with the freedom of the patient, destroy the standards of medical care, and lead to socialism.

I submit that these are fearful phantoms, and that not a single one of them could possibly materialize under the terms of this bill. These terms are explicit and plain. Its administrative provisions guarantee the widest decentralization of authority, with full representation of both doctors and laymen. They assure that the most important decisions affecting doctors and patients will

be determined by their own local representatives, in their own communities. And to make the assurance doubly binding, the bill specifically spells out and guarantees all the freedoms which we are told it would take away.

It seems plain to me that only by this method of social insurance can we effectively shore up our voluntary hospitals and our system of private medical practice, and forestall the need for a further extension of state medicine. We are moving fast in that direction, and I sincerely hope that the President's program will not be delayed too long.

Mr. Speaker, I hope those who have been disturbed by the charge that the President is proposing socialized medicine will give thought to Mr. Kingsley's arguments, because it seems to me that they soundly refute such charges. The supporters of this legislation firmly believe it will not only strengthen our medical care, but will strengthen our American system. That is why the gentleman from Michigan, Congressman DINGELL, and I have introduced H. R. 4312 and H. R. 4313—companion bills to S. 1679.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I have asked for time to speak on a certain subject next Thursday, may I say to the distinguished gentleman from Wisconsin, and I shall take that time to bring to the attention of the House and the gentleman from Wisconsin some of the background thinking of Mr. J. Donald Kingsley, who expressed the opinion of the administration on national health insurance, that somehow seems to have escaped the public press and has evidently escaped the attention of the gentleman, because at that time I shall bring his own statements, his own books, his own writings to the Congress to demonstrate clearly by his own statements that he believes in socialized medicine, using the language "socialized medicine" just as I have stated it here, and that he believes there is no possibility of our having a system of proper health service without nationalization of hospitals and free public clinics all over America.

In view of the fact that he has stated his approval, as I understand it, of the statements made by J. Donald Kingsley before the Senate committee, may I ask the gentleman from Wisconsin whether or not he believes in a system of nationalization?

Mr. BIEMILLER. I shall be very happy to answer the question raised by my colleague from Wisconsin. I have repeatedly stated in many instances that I do not believe in the nationalization of hospitals; that I do not believe in the nationalization of medicine; that I do not want a system of socialized medicine, and that is why I am proud to be one of the sponsors of the President's health program.

Mr. KEEFE. Then may I say to the gentleman, I think he will get a great deal of enlightenment out of the statements which I shall present for his edification and the edification of the Congress and the public generally as to the attitude of the man who would most

largely be called upon to handle and supervise and administer the program which the gentleman advocates.

Mr. BIEMILLER. I shall be very happy to listen to the gentleman from Wisconsin next week.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I am happy to yield to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Might I suggest to my friend, the gentleman from Wisconsin [Mr. KEEFE] that it will be also very interesting, and I shall sit here with pleasure listening to him to find out if he breaks down the economic set-up of the families of America, which is the basis of any sound society and sound government, the home life and the family life, and if he will talk about the 12 percent of the families of America whose total income is \$1,000 a year or less, and about the 17 percent of the families of America whose total income is between \$1,000 and \$2,000, and of the 21 percent of the families of America whose total income is between \$2,000 and \$3,000 a year, the 50 percent of the families of America, embracing over 70,000,000 of our people, the backbone of our country, and what their plight is when they have sickness in the families of their loved ones. Their loved ones are just as near and dear to them as my loved ones are when there is serious illness in my family, or even slight illness. I want the best medical care possible for my loved ones. I have taken no position publicly, because I am sufficiently experienced in legislation, after 21 years in this body to know that legislation, as it should be in a democracy, is a series of compromises. I helped draft the Social Security Act in 1935, and I was called a Socialist, because I favored it. And it originated in the State of the gentleman from Wisconsin, in the mind of the late Senator Robert La Follette, Sr., who, in his day, when I was a youngster in New England, was called the most sinister figure in America. But he was really one of the great progressives of America. The things that he advocated were condemned as vicious radicalism and socialism and everything else, yet they have become law, and are now orthodox conservatism. I hope my friend will discuss that, and also discuss what we should do and what steps we should take in order to try and solve the problem of economic insecurity facing over 70,000,000 fine Americans and 50 percent of the family life of America.

Mr. BIEMILLER. I thank my very good friend, the distinguished gentleman from Massachusetts, for his contribution. The people of Wisconsin will appreciate his tribute to our beloved statesman, the late Senator Robert M. La Follette, Sr. I want to advise the House, as I think most of the Members know, that at the present time a subcommittee of the Committee on Interstate and Foreign Commerce, whose chairman is the distinguished gentleman from Tennessee [Mr. PRIEST], is holding hearings on the President's national health program in an effort to accomplish exactly the process to which the gentleman from Massa-

chusetts referred. It will be our endeavor to get the best advice possible from everyone, and work out the most suitable bill we can.

Mr. KEEFE. Mr. Speaker, will the gentleman yield further?

Mr. BIEMILLER. I yield.

Mr. KEEFE. I will say in response to the statement made by my friend, the gentleman from Massachusetts [Mr. McCORMACK] that he does not have to tell me anything about the work of the late senior Senator from Wisconsin, the Honorable Robert M. La Follette, and I am very familiar with the fact, as one who learned at his footstool, that my State led the Nation in the field of progressive legislation, and that at that time he and some of us who followed him in our thinking at that time were called dirty names. But I want the gentleman to know that in what I shall say next Thursday I am going to try to advise you of the mental processes and thinking of the gentleman who, it is proposed, is to be put in charge of this program, taking into consideration what he was writing on his own some years ago and not what he is saying today. I am not going to be able to give you the answer as to how we are going to take care of the problem, which I very well know about. Very obviously your party has not had the answer, because, if I read the papers correctly, you have abandoned any effort to enact a health program in this session of the Congress. I want the gentleman to know that so far as I am concerned I am aware of that program, and I have as much solicitude in my heart for the health of this Nation as does the gentleman from Massachusetts, and I think my record in this Congress will indicate that I have implemented that thought along a dozen different lines so as to bring health facilities to the people of this country in a manner which they can afford. I do not want the gentleman to let it appear that I am in opposition to the thinking of those people attempting honestly to bring expanded health services to the people of this country, because I am not, but I do not believe the gentleman has the answer nor do I think the gentleman from Wisconsin [Mr. BIEMILLER] who has just addressed us has the answer. Neither do I think the answer is involved in the proposal you have apparently now abandoned so far as this session of Congress is concerned. But I think we ought to know who the people are that we propose to have administer these programs. Then we can perhaps get some concept of what the motivating influence behind a lot of these programs really is.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I yield to the very able gentleman from Massachusetts.

Mr. McCORMACK. As to the proposal the gentleman from Wisconsin [Mr. KEEFE] says we have abandoned, of course the gentleman knows that the message on the state of the Union delivered at the beginning of a Congress covers the entire Congress.

Mr. KEEFE. Yes.

Mr. McCORMACK. This is one session. I agree with the gentleman. The gentleman says that no one has the complete answer. I think that is fair. It is the operation of democratic processes that will bring about the answer, and then, if in the light of experience what we do is shown to be not complete, we start to improve further.

You can compare this to social security legislation. Look at the large groups we had to exclude from it in 1935. We had to exclude the employees of charitable, religious, and educational institutions, because they feared it would be a precedent for the taxation of property then and now exempt from taxation. That did not appeal to me personally, but I recognized the fear, and they were eliminated. The farmers were eliminated. I recognize the administrative difficulty, but people who live on a farm, if they live long enough, get old just the same as persons living anywhere else. Other classes were excluded.

The result is what? The late President Roosevelt, and he is one of the great immortals of all time, was called every name under the sun by those who opposed everything he first proposed. Some of us who fought shoulder to shoulder with him also were called those names. When he recommended social security the charge of socialism was hurled at him, and the same charge was hurled at him in regard to everything else he recommended.

We had hearings in the Committee on Ways and Means. They took many weeks. We heard all sides, and we sat in executive session and compromises were made, as they have to be made on all great progressive steps. Now, 14 years later, we are considering additional coverages under the social security program, and some groups who 14 years ago opposed being included appeared before the Committee on Ways and Means asking that they now be included. Public opinion within that group has changed. I recognize that and, again, that is democracy in action.

The same thing applies to this proposal. It will go through long hearings, there will be careful screening, and an executive session will be held. The committee will act. Then the House will act, and then the other body in committee and on the floor will act. Out of it will come something that will represent progress. It will probably go further than some people want and not as far as others want.

I agree with my friend in the broad statement he has made that "no one has the answer," but there is a problem. The purpose of my observations was this. I have talked with Mr. Kingsley only over the telephone on matters other than this. My talks with him have been very pleasant. I hope to meet him sometime. As I recollect, I have never met him personally. But no matter what Mr. Kingsley might have said in the past, the important thing, after all, is whether or not there are conditions in America requiring something to be done. That is the important thing, after all.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

EXTENSION OF REMARKS

Mr. CUNNINGHAM asked and was given permission to extend his remarks in the RECORD and include an article on the preservation of national wildlife.

SOCIALIZED MEDICINE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that upon the conclusion of the address by the gentleman from Wisconsin [Mr. KEEFE] I may address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KEEFE. Mr. Speaker, I could not permit the RECORD to remain as it would appear at the conclusion of the statements of my friend the gentleman from Massachusetts [Mr. McCORMACK]. He made the usual statement, which we have heard time and time again and endeavors to make it appear that anybody who speaks in opposition falls in the category of obstructing the progress of things in America. I have just simply this to say: I do not believe the gentleman from Massachusetts believes in the socialization of medicine, and when I say socialization of medicine, he knows what I am talking about. I do not believe the gentleman from Massachusetts believes in the nationalization of the hospitals in this country, either, and when I say nationalization of hospitals, I am sure he knows what I am talking about.

I cannot conceive that the gentleman from Massachusetts would ever support the thesis that the Federal Government should take over all the hospitals of this country and operate them. I do not believe the gentleman believes in any such thing. Yet, I want to say to the gentleman that this thing which he terms progress can merely be the entering wedge and the opening of the door to carry out the philosophy which seems to be well rounded and well fixed and which may result in the complete nationalization of all the hospital services in America and the complete socialization of medicine. I think the gentleman will be very interested to learn of the political theories of Mr. J. Donald Kingsley, as he has written them in his own books and in his own public statements. While he may be a great conciliator now in appearing before congressional committees, in an attempt to slide through this national life-insurance program, on the theory that it is not socialization of medicine, in accordance with his own statements, as I will quote them to you, it is just one part of the broad program to ultimately socialize medicine and socialize and nationalize the hospital facilities of

America. I am calling attention to this because I think it is important.

Mr. Speaker, does that mean I am not conscious of this problem which confronts us? I have supported, as the gentleman well knows, every effort under the sun to enlarge the teaching staffs of our universities to provide more doctors and to set up nurse-training programs and provide the money to train nurses that will be needed to implement any sort of national health program. I have been a vigorous supporter of the Hill-Burton hospital-construction program, which will provide the hospital facilities which are necessary and without which no health program could possibly succeed. We have implemented the work of the State public-health services and the research facilities of the Nation during the 10 years that I have been a member of that Subcommittee on Appropriations, to the point where it has attracted the attention of the Nation.

The gentleman cannot talk to me and leave the impression in the RECORD of the Congress that I am in opposition to well-directed efforts to improve the health of the Nation or to provide facilities which will give health to the people of this country. I take this time merely to indicate as emphatically as I know how in the RECORD of the Congress that the implications contained in the rather rambling and generalized statements of the gentleman from Massachusetts cannot be construed to indicate that what the gentleman from Wisconsin has said or will say is in opposition to the efforts to provide the people of this country with facilities which I know they need in order that they may enjoy health.

The SPEAKER pro tempore (Mr. MONROE). The time of the gentleman from Wisconsin [Mr. KEEFE] has expired.

COMMITTEE ON AGRICULTURE

Mr. WORLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on the bill H. R. 3699.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 5 minutes.

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks.)

SOCIALISTIC TRENDS

Mr. HOFFMAN of Michigan. Mr. Speaker, no doubt every Member of the House, as well as the overwhelming majority of our citizens, agree with the basic thought expressed by both the gentleman from Wisconsin [Mr. KEEFE] and the gentleman from Massachusetts [Mr. McCORMACK]. The gentleman from Massachusetts sincerely bemoaned the situation which made it impossible for certain low-income groups, as he calls them, to obtain what he thought was necessary medical aid. He expressed

some pride in the fact that he had assisted in the enactment of social-security legislation.

Social security, properly administered and limited, is all right, may I say to the gentleman from Massachusetts, but I go back to the day when some of the so-called reactionaries and conservatives believed in legislation and in a government which would enable and permit the individual to provide for his own old-age security. That day has gone, and I can see the necessity for social security, so-called, may I say to the gentleman; but only because his party has created a condition where it is absolutely impossible today for any man, unless he inherits wealth or has it, to provide for his old-age security. In my boyhood days a man who had two hands and the disposition to work could find a job, and conditions were such that he could provide for his own old-age security and start his children on the road to security.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. In just a minute.

If there are low-income groups today one of the reasons why, basic reasons, why the worker has less, why the businessman has less, why Government help is needed so often, is because the Government here in Washington as well as in some States takes away from him through taxation so much of what he earns. Sure. If I cause an automobile wreck the least I can do is go back and help the fellow I have injured, whose automobile I have destroyed; and the least the Democratic-New Deal Party ought to do is to now provide in some way, if it can, for the security of those who because of its legislation and its policies are unable to provide for themselves.

Yes; I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Did I understand my friend to say he now favors social security? Never mind the reasons for it.

Mr. HOFFMAN of Michigan. That I what?

Mr. McCORMACK. That the gentleman now favors social security.

Mr. HOFFMAN of Michigan. Favor it?

Mr. McCORMACK. Yes.

Mr. HOFFMAN of Michigan. I am in favor of those whom your party has rendered incapable of taking care of themselves getting some help.

Mr. McCORMACK. Never mind the reason. Now has the gentleman announced himself in favor of that?

Mr. HOFFMAN of Michigan. Social security?

Mr. McCORMACK. Social security.

Mr. HOFFMAN of Michigan. I answered the gentleman: For those that you or rather your party through its policies put on relief rolls, I say "Yes."

Mr. McCORMACK. Then the gentleman's answer is "Yes"?

Mr. HOFFMAN of Michigan. I do not believe in socialized medicine—compulsory health insurance; no, I do not.

Mr. McCORMACK. The gentleman is commencing to show a little liberality of spirit.

Mr. HOFFMAN of Michigan. I am willing to do my part, and my people are prepared to do their part, to take care of those pauperized—through New Deal policies—waste and extravagance.

Mr. McCORMACK. The Hoover depression, of course, had nothing to do with bringing about that lack of economic stability.

Mr. HOFFMAN of Michigan. Hoover depression. You mean the depression caused by World War I? But what did the gentleman's party do with Hoover's reorganization plans? What did your party do to preserve the rights of the House to assert its views in the matter?

Mr. McCORMACK. Why, we saved the country.

Mr. HOFFMAN of Michigan. Saved the country—with a two-hundred-fifty billion debt—with the bond sale last week to get money for current expenses.

Now the gentleman comes along and drags in Mr. Hoover. The body across the Capitol has considered the reorganization plan, but we have no reorganization bill today because the House insists that the other body take the gentleman's plan, because the plan that they have over there, which would give us real organization, is not just suitable to the gentleman. Oh, no; the gentleman will not take that; the gentleman will not stand for a position that reserves to this House its constitutional right to pass upon any plan that the gentleman in the White House wants to send down. Why not?

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. McCORMACK. Now the gentleman has jumped from social security to reorganization. We finally got the gentleman to make the first public admission of liberality, but he made it during this little colloquy here.

Mr. HOFFMAN of Michigan. Not so little; quite a lot; and only the professional liberals believe in the wasteful spending of other people's money.

Mr. McCORMACK. We have finally got the gentleman to make an open confession, and it is most refreshing. But now the gentleman jumps from social security to reorganization. That is a pretty rapid shift; I do not quite follow the gentleman.

Now the gentleman said that in the reorganization bill conference we opposed everything—

Mr. HOFFMAN of Michigan. What is that?

Mr. McCORMACK. The gentleman is a member of the conference committee, is he not?

Mr. HOFFMAN of Michigan. I am not talking about that; I would not venture to disclose anything that transpired in the conference.

Mr. McCORMACK. I wanted to protect the gentleman in that respect.

Mr. HOFFMAN of Michigan. I do not need any protection from that side. I have learned how to stand on my own feet pretty well and take care of myself; I get along all right.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for one additional minute.

Mr. HOFFMAN of Michigan. So that I may yield to the gentleman from Nebraska?

Mr. CURTIS. Yes.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan may proceed for five additional minutes.

Mr. HOFFMAN of Michigan. So that I may yield to the gentleman from Massachusetts?

Mr. McCORMACK. No; I do not want any more of the gentleman's time.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts that the gentleman from Michigan may proceed for five additional minutes?

There was no objection.

The SPEAKER. The gentleman from Michigan is recognized for five additional minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield to the gentleman from Nebraska.

Mr. CURTIS. I was interested in what the gentleman from Massachusetts had to say about social security. I would like for him to state who in the United States is secure in his financial position right now?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Massachusetts for that purpose, although he will have 5 minutes of his own time.

Mr. McCORMACK. The gentleman admits that he feels secure, does he not?

Mr. CURTIS. Oh, no.

Mr. McCORMACK. That makes you and myself.

But the gentleman is not secure? What about the fellow who is getting \$25 a week? Is he as well off as the gentleman is?

Mr. CURTIS. The gentleman is evading my question.

Mr. McCORMACK. What about the corporations that made \$20,000,000,000 and more last year?

Mr. CURTIS. I want to know who in this country you have made secure?

Mr. McCORMACK. Who we have made secure?

Mr. CURTIS. Yes.

Mr. McCORMACK. Why, the gentleman's question is so based upon—I do not want to use the word "ignorance"—

Mr. CURTIS. Go ahead, that will not bother me at all.

Mr. McCORMACK. On a total lack of economic knowledge during the last 20 years. Why, farmers were selling cotton down South for 4 or 5 cents a pound. What was wheat being sold for in 1930, 1931, and 1932? Were the Democrats in control then? No. The people of the gentleman's district were prostrated.

Mr. CURTIS. Why does not the gentleman answer the question?

Mr. McCORMACK. The gentleman has asked a question and I am answering it.

Give me time to answer it. We saved your people and the people of the gentleman's district in Michigan.

Mr. CURTIS. The gentleman better look to the coming depression and the rising unemployment now.

Mr. McCORMACK. Oh, yes. You gentlemen have always opposed everything.

The gentleman always talks pessimism.

Mr. CURTIS. I want to become optimistic. Who have you made secure?

Mr. HOFFMAN of Michigan. Mr. Speaker, I decline to yield further. I want to take up where the gentleman from Massachusetts, my good friend, Mr. McCORMACK, left off.

Mr. CURTIS. Will he answer the question?

Mr. HOFFMAN of Michigan. The administration tells our people of this regulation and that order and what they mean, so that our folks at home do not know what to do. They, at least, do not feel secure. They get so many orders from Washington, so many contradictory orders, they do not know whether they are going north or south, east or west, backward or forward. They cannot do a thing the old way. Yet you talk about what the Democrats have done. You have raised the prices of all these things, but the difficulty is when you get the larger wage you boast about you will not have as much when you try to buy something as you had before. I could formerly live on \$8 a week. I cannot do it now so well. My wife came along one night and she cut an apple in two. She gave me half of it. I asked her, "What is the matter?" She says, "Apples are 8 cents apiece. You are selling them at home for 35 cents a bushel." Yet when I get down to Washington and want one it costs 8 cents. And so it is all along the line. You want to buy something, but the money they give for your work will not do for you what it did in those so-called hard times. As Leo West—a CIO worker in my district, told me: "It is not a question of how much I get in that pay envelope; it is what my wife can get when she goes to the store with her basket." I said, "When did you discover that? My great-grandmother knew that away back in the days when they had to work for everything they got, when they spent their money wisely and well."

Now, I go back to my original thought, I may say to the gentleman from Massachusetts. The gentleman's party has fixed it so it is absolutely impossible for the average man to provide for his old age, or to buy a home. That is why we have social security. That is why we have the housing problem. I started to build a home on \$8 a week and finally got it paid for. I live in that same old shack. But you come along up there when we adjourn and you will see it is a fairly decent place, with a good bed to sleep in, plenty on the table to eat, with lakes and rivers nearby where you can catch fish and even shoot ducks once in a while—a typical American way of life, where anyone able and willing to work could, and the average did, provide for his old-age security.

The SPEAKER pro tempore (Mr. MONROE). The time of the gentleman from Michigan has again expired.

EXTENSION OF REMARKS

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement he made before the Committee on Education and Labor.

NATIONALIZATION OF HOSPITALS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, without realizing it, my good friend the gentleman from Michigan [Mr. HOFFMAN] made a very able speech in support of the great leadership of the Democratic Party during the last 16 years.

The gentleman from Wisconsin [Mr. KEEFE] spoke about nationalization of hospitals and socialization of medicine. Of course, nobody is advocating that, so far as I know. Those are coined phrases for the purpose of deceiving the people and creating an impression that something sinister, something inimical to the best interests of the people is involved in the recommendations made by President Truman. The same thing was said in 1934 and 1935, when President Roosevelt sent up his recommendations on social security.

No man ought to be a Member of the House if he is very sensitive, or he will lead a life of misery, and particularly as majority leader—if I were sensitive, I would live a very uncomfortable life—but I am not responsible for the sensitivity of the feelings of my friend from Wisconsin if he construed what I said in his application to him as labeling him or trying to create the impression that he was "a destructionist to progress." If the gentleman has any such feeling, I want the record to show that I have no such thought in mind, because I can very well remember the fine fight made by the gentleman in the last Congress, when he was chairman of the subcommittee, in getting appropriations through in connection with laboratory research work regarding certain diseases and other matters, and I remember the cooperation and the unanimity with which it came out of the subcommittee of which he is a member this year. I want the record to show that if the gentleman assumes that anything I said might create that impression, that there was no such intent on my part.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Does the mind of the gentleman go back to the time when the gentleman from Wisconsin brought to the floor of this House the original concept, and offered the first appropriation implementing it, of the maternity and infant-care program which was denounced by many people as being a Socialist measure, and that the gentleman from Wisconsin developed that program?

Mr. McCORMACK. Yes. And the gentleman from Massachusetts was right in here helping him.

Mr. KEEFE. And the chairman of the Committee on Appropriations stopped it at the first opportunity by raising a point of order against it. But when the people were heard from around the country, and finally we got it through, the gentleman from Massachusetts and every Member of the Congress got behind that program, although some people said that program was a Socialist program. Now, I want the gentleman to understand that I do not stand in the way of progress in bringing aid to the unfortunate, and I recognize the problem that exists and am trying as desperately as the gentleman from Massachusetts to find the answer to it. But I do not think you have the answer in the proposal which you have before you, and I think the gentleman will admit that.

Mr. McCORMACK. When the gentleman takes the floor and says, "I do not think the gentleman from Massachusetts stands for the nationalization of hospitals and the socialization of medicine," I could well say that my friend from Wisconsin is guilty of the very thing that his conscience thought I was guilty of when, as a matter of fact, I was rather complimentary to my friend in trying to make a suggestion of guidance, rather presumptuous on my part, I realize. But I assumed that my friend from Wisconsin would not misconstrue it, and that in addition to what he might have to say about Mr. Kingsley—that is his name, is it not?

Mr. KEEFE. That is right.

Mr. McCORMACK. That he also discuss the situation confronting the people of America, that something must be done regarding the health problems. I agree with the gentleman, I do not think anyone has the answer, just the same as we did not have the answer in 1935 on social security when we started, just the same as we have not got the answer on social security today—in 1949. Times change. They produce new conditions. They create new problems. Government is a living institution. It never dies; it cannot. If it becomes static it commences to decay and disintegrate. Time passes, and problems constantly arise that concern the people and require legislative consideration, either on the part of Congress or on the part of the various State legislatures, so that there is no such thing as an end. Government must work, and in order to work it must serve. Whatever proposal is advanced it must be discussed on its merits. As to those who oppose it, I respect their views, but when they say that those who favor something being done stand for the nationalization of hospitals and the socialization of medicine, I sharply disagree with them and say that they are not intellectually honest. Whenever they present their views as to why they oppose, I thoroughly respect their views. But when they try to impugn the motives of those who honestly are endeavoring to seek a solution, by calling them harsh names, there is no contribution being made to any debate that will bring about a healthy and a constructive solution.

So I hope that when the gentleman addresses the House he will also address it from the angle of the economic neces-

sity confronting our country and the need for some kind of legislation, in view of the fact that 50 percent of the families of America have a total income of \$3,000 a year or less.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DAVIS of Tennessee, for the week of May 30, on account of official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1843. An act to convert the National Military Establishment into an Executive Department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility; and for other purposes; to the Committee on Armed Services.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1057. An act for the relief of John Keith.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 969. An act to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 7 minutes p. m.) the House, under its previous order, adjourned until Tuesday, May 31, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

653. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of \$56,295 for the legislative branch, House of Representatives (H. Doc. No. 199); to the Committee on Appropriations and ordered to be printed.

654. A letter from the Attorney General, transmitting the case of Thomas Kun Nimeneh or Thomas Nimeneh or Thomas Kun Nemera or Keen Nimeneh or Sam Nimeneh or Keen Nimeh, file No. A-4026037 CR 22433, and requesting that the case be withdrawn from those now pending before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

655. A letter from the Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation, as well as a list of the persons involved; to the Committee on the Judiciary.

656. A letter from the Secretary of the Interior, transmitting a copy of Joint Resolution 20, from Governor Stainback, of the Legislature of Hawaii, requesting the Congress of the United States to enact legislation whereby lands acquired by the United States

for defense purposes and not now being used by the United States be offered for sale or exchange to former owners thereof and others; to the Committee on Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BARRETT of Wyoming: Committee on Public Lands. S. 55. An act to authorize completion of construction and development of the Eden project, Wyoming; without amendment (Rept. No. 691). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 4252. A bill to transfer the trawlers *Alaska* and *Oregon* from the Reconstruction Finance Corporation to the Fish and Wildlife Service; without amendment (Rept. No. 692). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 230. Resolution for consideration of H. R. 4754, a bill to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes; without amendment (Rept. No. 693). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H. R. 3699. A bill to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes; with an amendment (Rept. 694). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY (by request): H. R. 4892. A bill to provide for the admission of pay patients to the Home for the Aged and Infirm; to the Committee on the District of Columbia.

By Mr. COLMER: H. R. 4893. A bill to amend the Agricultural Act of 1948 by adding thereto a new section to establish an average parity price for fats and oils and to aid in maintaining such parity price to producers; to the Committee on Agriculture.

By Mr. ELLIOTT: H. R. 4894. A bill providing direct Federal old-age pensions at the rate of \$50 per month to needy citizens 60 years of age or over; to the Committee on Ways and Means.

By Mr. MARSHALL: H. R. 4895. A bill to permit the prospecting, development, mining, removal, and utilization of the mineral resources within the Superior National Forest, Minn., and for other purposes; to the Committee on Public Lands.

By Mr. REES: H. R. 4896. A bill to provide that the Indian Claims Commission shall hear and determine claims to enrollment on the rolls of the Five Civilized Tribes and of the Osage Indians; to the Committee on Public Lands.

By Mr. RODINO:

H. R. 4897. A bill declaring October 12 to be a legal holiday; to the Committee on the Judiciary.

By Mr. WHEELER:

H. R. 4898. A bill to provide that veterans pursuing courses of training in the building trades at approved public institutions may, as part of such training, construct, improve, and repair public buildings; to the Committee on Veterans' Affairs.

By Mr. MORRISON:

H. R. 4899. A bill to provide Federal funds to assist the States in constructing public schools; to the Committee on Education and Labor.

By Mr. NIXON:

H. R. 4900. A bill to provide for the acquisition of a site and for the construction of a suitable building thereon for the use and accommodation of the United States post office at Pico, Calif.; to the Committee on Public Works.

By Mr. REDDEN:

H. R. 4901. A bill to authorize the Eastern Band of Cherokee Indians, North Carolina, to lease certain lands for a period not exceeding 40 years; to the Committee on Public Lands.

By Mr. CELLER:

H. Res. 231. Resolution to provide for the printing as a House document a report of the proceedings of the National Resettlement Conference for Displaced Persons; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, recommending the carrying into effect of the administrative recommendations of the Hoover Commission; to the Committee on Expenditures in the Executive Departments.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to restore the former tariff of 21 percent on imported sponges; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JUDD:

H. R. 4902. A bill for the relief of Arthur Neustadt and Mrs. Emma Neustadt; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 4903. A bill for the relief of Krikor G. Guiragossian; to the Committee on the Judiciary.

By Mr. McMILLAN of South Carolina:

H. R. 4904. A bill for the relief of the estate of Conrad L. Steele, deceased; to the Committee on the Judiciary.

By Mr. MORRIS:

H. R. 4905. A bill for the relief of Jack Stuckey; to the Committee on the Judiciary.

By Mr. NIXON:

H. R. 4906. A bill for the relief of Manuel Uribe; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 4907. A bill for the relief of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

958. By Mr. HOPE: Petition of Mrs. D. B. Martin and others, of Sterling, Kans., urging

the passage of legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce, etc.; to the Committee on Interstate and Foreign Commerce.

959. By Mr. JONAS: Petition bearing the names of 210 residents of Chicago, Ill., objecting to the passage of H. R. 4238 and H. R. 4349, relating to turning over animals in the District of Columbia Dog Pound for vivisection; to the Committee on the District of Columbia.

960. By Mr. NORBLAD: Petition signed by George A. Dennis and 185 other citizens of the State of Oregon, urging enactment of the railroad retirement bills, S. 1379 and H. R. 4282, 2741, 4334, and 2146; to the Committee on Interstate and Foreign Commerce.

961. By Mr. SMATHERS: Petition of Mrs. Irene Burke and others, endorsing passage of the Townsend plan; to the Committee on Ways and Means.

962. By the SPEAKER: Petition of the American Naturopathic Association of California, Inc., Los Angeles, Calif., requesting that the practice of naturopathy be included on an equal basis with other branches of the healing art in any national health plan that the United States Congress may enact into law; to the Committee on Interstate and Foreign Commerce.

963. Also, petition of Rhode Island Dental Hygienists' Association, Pawtucket, R. I., requesting that Congress do not enact any legislation which will hamper freedom, such as the current proposals for compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

964. Also, petition of American Public Power Association, Washington, D. C., endorsing the extension of Federal social security, on a voluntary basis, to employees of State and local governments; to the Committee on Ways and Means.

965. Also, petitions of Mrs. Agnes G. Shankle, General Welfare Federation of America, Washington, D. C., and Mrs. Flora Humphrey and 80 others for Liberty Club, General Welfare Federation, Buffalo, N. Y., endorsing H. R. 2620, calling for a national old-age pension; to the Committee on Ways and Means.

966. Also, petition of Mrs. Hattie Meyer and others, Fairmont, Minn., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

967. Also, petition of Rev. Burton Fisher and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

968. Also, petition of Mr. and Mrs. Charles H. Nutting and others, Ormond, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

969. Also, petition of Rev. J. A. Logan and others, Geneva, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

970. Also, petition of Mrs. M. B. Claypoole and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

971. Also, petition of Mrs. C. H. Underwood and others, Zephyrhills, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

972. Also, petition of Henrietta Hall and others, Tampa Townsend Club, No. 8, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.